



NEVADA COUNTY TRANSPORTATION COMMISSION

Grass Valley • Nevada City • Nevada County • Truckee

MINUTES OF MEETING September 21, 2011

A meeting of the Nevada County Transportation Commission (NCTC) was held on Wednesday, September 21, 2011 in the Grass Valley City Council Chambers, 125 East Main Street, Grass Valley, California. The meeting was scheduled for 9:30 a.m.

Members Present: Nate Beason*, Carolyn Wallace Dee, Ann Guerra, Sally Harris, Larry Jostes, Dan Miller, and Ed Scofield

Staff Present: Daniel Landon, Executive Director; Mike Woodman, Transportation Planner; Nancy Holman, Administrative Services Officer; Toni Perry, Administrative Assistant

Standing Orders: Chairman Jostes convened the Nevada County Transportation Commission meeting at 9:30 a.m.

Pledge of Allegiance

PUBLIC COMMENT

There were no public comments.

CONSENT ITEMS

1. Financial Reports

A. June 2011. *Approved.*

2. NCTC Minutes

July 20, 2011 Meeting. *Approved as amended.*

Commissioner Beason pulled the July 20, 2011 NCTC Minutes to request a correction at the bottom of page 7. The sentence indicates he is speaking and reads: "...transportation improvements would need to justify and make their case *environmentally* in terms of greenhouse gases." Commissioner Beason asked to change the word environmentally to *individually*.

3. Allocation Request from the County of Nevada for Regional Surface Transportation Program (RSTP) Funds. *Adopted Resolution 11-32 accepting the County of Nevada's request for \$800,000 of Regional Surface Transportation Program Funds to be allocated for the 2011 Western Overlay Project.*

Commissioner Dee made a motion to approve the Consent Calendar as amended. Commissioner Beason seconded the motion. The motion passed unanimously.

At 9:35 a.m. Chairman Jostes adjourned the Nevada County Transportation Commission and convened the Nevada County Airport Land Use Commission.

4. Public Hearing: Nevada County Airport Land Use Compatibility Plan (NCALUCP)

A memorandum was handed out to the Nevada County Airport Land Use Commission (ALUC) at the request of Terry Lowell, Chair of the Nevada County Airport Commission, and author of the document. It was referred to during the Public Hearing (see page 7 of Minutes).

Executive Director Landon reviewed that the Nevada County Transportation Commission serves as the ALUC for the Nevada County Airport, having taken over the function at the May 19, 2010 NCTC Meeting. He said the California State Aeronautics Act identifies the roles and responsibilities of ALUCs in land use planning, and they are to insure that proposed land uses near public airports are compatible with airport uses in terms of safety, noise, and air space. Mr. Landon said one of the primary functions of an ALUC is to develop and adopt a plan that identifies zones for safety, noise contours, height restrictions, along with associated compatible land uses for each public use airport. The plan is referred to as an Airport Land Use Compatibility Plan. In developing such plans, the ALUCs are to be guided by the Airport Land Use Planning Handbook that was prepared by the State of California. The handbook says that ALUCs are encouraged to review, and where appropriate, update their compatibility plans every five years. Mr. Landon stated that the existing compatibility plan for the Nevada County Airport has not been updated since 1987. He said airport land use compatibility plans are not plans for development of the airport; rather, state law requires that future land use development near airports be consistent with the compatibility criteria included in the Airport Land Use Compatibility Plan.

Executive Director Landon reported that in November 2010 the Nevada County Transportation Commission retained Mead & Hunt, Inc. to prepare an update of the NCALUCP. He noted that Mead & Hunt, Inc. has completed compatibility plans for more than 132 airports in California, and they were the principal authors of the 1993 and 2002 California Airport Land Use Planning Handbooks. Therefore, Nevada County ALUC staff has relied heavily on their expertise to ensure that both the process leading to adoption and the NCALUCP itself meet all state requirements.

Executive Director Landon said that in January 2011 staff from Mead & Hunt, Inc. met with a Project Advisory Committee (PAC) made up of representatives from the City of Grass Valley Planning Department, Nevada County Airport, Nevada County Planning Department, the City of Nevada City Planning Department, and staff of NCTC. In April 2011, the PAC reviewed policies proposed for inclusion in the draft NCALUCP document. In May 2011, Mead & Hunt, Inc. prepared a preliminary housing displacement analysis for the NCALUCP. Mr. Landon said the analysis quantified the number of future housing units that could be displaced that is transferred to an area outside of the airport influence area if that version of the Airport Land Use Compatibility Plan were adopted and implemented. The analysis identified a potential of 441 future housing units that could not be accommodated in the airport influence area. The analysis was reviewed by the PAC, and working with the consultants utilized an urban overlay zone, airport operational data, and geographic data to reduce the number of future units potentially to be displaced to 243, all of which were located inside the Loma Rica Ranch Specific Plan. Mr. Landon stated there were no other property owners that would be impacted by the reduction of residential density.

Executive Director Landon went on to explain that in early June the PAC met with a representative from the Loma Rica Ranch development project and alerted the developer and the City of Grass Valley staff to the potential conflict. The meeting was held prior to the release of the public review draft of the NCALUCP. On July 4th the public review period started for the draft compatibility plan and the draft Negative Declaration. On July 19th a public workshop was held and on July 20th there was a review of the draft plan and Negative Declaration by the ALUC in their regularly scheduled meeting. Mr. Landon said that on August 6th the public review period ended, with comments having been received from the City of Grass Valley and from the Chair of the Nevada County Airport Commission. At the conclusion of the public review period, there were no comments received from the developer of the Loma Rica Ranch Specific Plan, and although the City of Grass Valley submitted comments on the draft plan there were no comments regarding the density issue at the lake neighborhood. On September 1st comments were received from Caltrans Division of Aeronautics and on September 8th Mead & Hunt, Inc. provided the response to comments and Addendum #1 was included in the agenda packet for the September 21st NCTC meeting.

Executive Director Landon said on August 30th a letter was received from the City of Grass Valley noting that the city was in the process of entering into a Development Agreement with the land owner of the Loma Rica Ranch and anticipated taking initial action on the Development Agreement in September. In concert with those actions, the city requested that the ALUC consider one of three actions:

1. Continue any action on the draft NCALUCP to a meeting in November.
2. Include a specific provision that recognizes the Loma Rica Ranch Specific Plan as an "Existing Land Use".
3. Approve the draft NCALUCP with an effective date set in November to allow for additional comments prior to final implementation with any significant comments to come back to the commission.

Executive Director Landon explained the letter stated that the intent of those requested actions was to allow the city to complete the discretionary action which would place the Loma Rica Ranch Specific Plan in the category of being an existing land use. The second requested action would have the ALUC recognize the Loma Rica Ranch Specific Plan as an existing land use. He said in response to that request, ALUC staff reviewed the definitions of existing land use, which are included in the document, and noted that Policy 1.2.12 identifies six actions that would allow for a development to be defined as an existing land use. However, none of those six actions have been taken at this point in time and the project does not meet the criteria contained in the definition.

Executive Director Landon said the first and third request from the City of Grass Valley asked the Nevada County ALUC to delay adoption or implementation of the NCALUCP to allow the city time to complete the Development Agreement, thus allowing the Loma Rica Ranch proposal to become an existing land use. He stated that the central issue of this matter is of allowing increased residential density near the end of the runway and within the traffic pattern at a level that is not consistent with the safety guidance provided by the state. California Public Utilities Code Section 21670 is a statute that establishes airport land use planning, and it states in part: "It is the purpose of this article to protect public health, safety, and welfare by ensuring the orderly expansion of airports and the adoption of land use measures that minimize the public's exposure to excessive noise and safety hazards within areas around public airports to the extent that these areas are not already devoted to incompatible uses." ALUC staff, legal counsel, and the consultants preparing the NCALUCP do not believe that holding in abeyance, adoption or implementation, of the NCALUCP would meet the test of minimizing exposure to safety risks. The safety zones were developed using

data identifying where the risks of aircraft accidents is a concern, and define appropriate land use measures to address those risks. Mr. Landon said that Ken Brody of Mead & Hunt, Inc. will explain how safety, noise, air space protection, and overflight issues are integrated into the compatibility zones. He said the configuration of the compatibility zones in the NCALUCP is consistent with the operations of the airport and with the guidance found in the Airport Land Use Planning Handbook. Mr. Landon said the ALUC staff, our legal counsel, and the consultants were not aware of any data that would provide a basis for further modifications of the safety zones, and, therefore, recommend adoption of the zones as shown. Mr. Landon introduced Ken Brody who would provide details on the development of the document.

Ken Brody, Senior Project Manager with Mead & Hunt, Inc., and consultant for the NCALUCP update project, said there had been a year-long effort to update the plan, and it was a pleasure to work with Mr. Landon and members of the PAC and Commission. He noted that Maranda Thompson from Mead & Hunt, Inc. had given the presentation to the ALUC at their meeting in July in Truckee. Mr. Brody said the two of them had worked closely together on the project update; however she had a long standing personal commitment for the week and was unable to be at the meeting. Mr. Brody noted that they presented highlights at the July meeting of the draft NCALUCP, and he did not want to repeat all the details of the plan in the current presentation. His intent at the current meeting was to focus on a few key points, as well as on the process that lead to the final plan before the Commission.

Mr. Brody stated that from the start of the project, they coordinated regularly with the PAC that was set up specifically for the project. There were representatives from the City of Grass Valley, Nevada City, and Nevada County, as well as the Airport Manager on the PAC. Mr. Brody said they relied heavily on that group, both as a source of information, and as a sounding board for components of the draft plan as they were developed and to communicate progress of the plan to their respective agencies. The draft compatibility plan was completed in July, as well as the accompanying initial study Negative Declaration, which began a formal public review period ending in August. He said a public workshop was conducted during that period, and it was advertised in The Union, and noticed in several locations including the county and city Planning Departments, airport office, County Clerk Office, and the libraries. Mr. Brody said only county staff attended the public workshop. He added that low attendance at these types of workshops is fairly common, and Airport Land Use Compatibility Plans are not proposals for development at the airport, and do not apply to existing land uses, so they contain little that is of interest to the general public. Mr. Brody said when there is interest it usually comes from developers and property owners who have plans or thoughts of developing their land in the airport vicinity.

Mr. Brody said because of the large number of parcels within the airport influence area, some 3,000 by their count, individual notices were not done. He stated that this is common practice among ALUCs when preparing and noticing land use compatibility plans. He said it is also the way local jurisdictions handle projects such as General Plans when doing noticing. There are also no specific state law provisions regarding the noticing that ALUCs have to follow; only the guidance that is in the State Handbook, which defers to local practice. He said circulation of the draft documents produced only two comment letters; one from the City of Grass Valley, and one from Caltrans Division of Aeronautics. There was one email suggestion from one Airport Commissioner and one from Nevada County with minor editorial comments. Mr. Brody reported that during the comment period there was a standing offer on the part of ALUC staff to make presentations to the affected bodies.

Mr. Brody reviewed that the comments received were summarized in the agenda packets and a discussion of each comment was included, along with Mead & Hunt, Inc.'s response. That led to an Addendum to the plan, which was also included in the Commission's meeting packet. He said the changes were primarily clarifications; they did not affect the overall impacts of the plan in their view. Mr. Brody said once the plan is adopted, the consultant will pull the Addendum into the draft plan and that would result in a final document.

Mr. Brody stated, from the very beginning of the project, it was clear that the one big issue to deal with was the Loma Rica Ranch Specific Plan. He said it is situated directly off the west end of the runway; the interrelationship between that planning area and the airport is easy to see. From a strictly airport compatibility standpoint, of course, the ideal situation would be to leave things as they are there now. He said they recognize that this type of no-development approach to compatibility planning is seldom practical in any kind of area where there is growth occurring. Mr. Brody said the Loma Rica Ranch Development Project is important to the community; the consultant recognized that and they worked diligently with the City of Grass Valley and the developer to identify ways to accommodate the project where feasible. He said they have to recognize, however, that the community needs are not the focus of Airport Land Use Compatibility Plans. ALUC plans have two purposes: 1) to protect and ensure long term viability of airports; 2) and to protect the public from excessive airport related noise and hazards. With those constants in mind, Mr. Brody said they worked to develop a compatibility plan to both work for the airport and for the community. He explained that by "community", it means not just the current owners of property around the airport and developers of Loma Rica Ranch, but the people who will live and work there in future years.

Mr. Brody said that planning is not a precise process, and certainly preparation of compatibility plans falls into that category. He stated the consultant relies extensively upon the past experience of other airports, other ALUCs, and other communities, as well as all the guidance provided statewide by the Caltrans Division of Aeronautics in the Airport Land Use Planning Handbook. Mr. Brody used displays on his computer to show the final compatibility plan as proposed in the draft report. He explained that the sizes of the various compatibility zones, as well as the criteria applied within them, closely follows the handbook guidance. He said both noise and safety are a concern. The consultants did a composite-type approach in defining various zones in which noise and safety are each taken into account in establishment of the criteria. He said within those areas the noise is particularly a concern off to the west end of the airport, since that is the direction in which nearly all aircraft take off. Mr. Brody noted that safety takes on added weight all around the airport for a variety of reasons, because the Nevada County Airport is not the easiest of airports in which to fly; the runway is relatively steep, there is high terrain off to the east, and wooded areas all around the airport.

Mr. Brody reported that in developing the various zones, to the extent that there are gray areas in defining zone boundaries, he and Maranda Thompson worked very hard to accommodate the future development proposals. He said some of the boundaries were adjusted slightly from what the generic zones might have been from the state. For example, Zone B1 would have gone out to the road [Brunswick Road], yet there were development proposals that are commercial areas and are part of Loma Rica Ranch, so the consultant pulled that boundary back to some degree to allow for that development. He said it falls on the east side of where development was proposed.

Mr. Brody noted that in response to comments from the PAC, the consultant also created within Zone D what they call an "urban overlay zone", which is to the northwest and some to the southwest. Within that area it slightly modifies the criteria that would apply elsewhere within Zone D, and the criteria elsewhere repeats what the current development pattern is in that area so all the other uses are

consistent. The overall airport influence area boundary that is a significant consideration differs only a very slight degree from the boundary that is in the current planning document, the 1987 Nevada County Airport Comprehensive Land Use Plan (CLUP). Mr. Brody said the only slight difference is the outer boundary is based upon the federal standards for airspace protection, and in the twenty-plus years since the last plan was done there have been some slight modifications, as the runway was reconfigured, so the ends of the runways are a couple hundred feet different from where they were historically, and that has changed the outer ends of the boundary. He said other than that, the overall boundary is the same as it has been.

Mr. Brody reviewed that, all in all, the draft compatibility plan, other than the one exception, does not conflict with the Loma Rica Ranch Specific Plan, or any other development division within the General Plans of the City of Grass Valley, Nevada City, or Nevada County. The one exception is the Lake Neighborhood of Loma Rica Ranch, and he showed a map of that area. He stated the area is located immediately west of the runway, just to the south of the runway center line. Airplanes taking off towards the west do make a slight turn as they begin their departure to go southward and they would head straight out over the area. Mr. Brody said the Loma Rica Ranch Specific Plan calls for upwards of 100 homes on that site. During the course of the study, the consultants looked closely at the Loma Rica Ranch Specific Plan to see if there was some way, within the guidance from the State of California and practice from other ALUCs, whether that piece could be accommodated. Any tweaks that the consultant did still resulted in a conflict with regard to both noise and safety concerns. He said while the draft plan would allow some development within that area; it could have as many as 20 dwelling units; the consultant simply could not find the proposed density to be compatible with the airport, no matter how the zones are drawn or how the criteria is defined. Mr. Brody said it goes beyond the compatibility plan itself.

Mr. Brody reported that in early June the consultant and ALUC staff met with the developer and Grass Valley City Administrator, as well as the PAC, to see if alternate uses of the property might be a possibility. Several ideas were discussed, but nothing definitive came forward. Shortly thereafter the City of Grass Valley's comment letter was received during the thirty day review period and did not even bring up the Loma Rica Ranch issue. Mr. Brody said that nothing was received from the developer at that time. The consultants and ALUC staff held a meeting subsequent to that with city staff to discuss their comments, and at that meeting the city informed the consultant and ALUC staff their intention to move forward with the Development Agreement for the Loma Rica Ranch project. Once approved, the Development Agreement presumably would represent a firm commitment to the project on the part of the city, and the proposed use would effectively become an existing use in terms of the NCALUCP and the city involvement, and therefore would not need to meet the ALUC plan criteria. Mr. Brody said, in effect, the use would become a nonconforming use with respect to the proposed plan. However, the City of Grass Valley's schedule for approval of that Development Agreement would not take place until after the current September 21, 2011 ALUC meeting. Mr. Brody stated, as such, the Loma Rica project would be subject to the new NCALUCP if the plan were to be adopted at the meeting that day. He reviewed that Executive Director Landon had referred to the schedule in conflict, and the subsequent letter that was received from the City of Grass Valley asking for a delay in the action proposed at the ALUC meeting so the Development Agreement could be put into place by the Grass Valley City Council.

Mr. Brody stated that the consultant's recommendation matched that of the ALUC staff to move forward with the adoption of the NCALUCP as proposed, or with any modifications the Commission may choose to add that day. He reviewed that the NCALUCP draft plan is consistent with the guidelines contained in the state handbook, and the draft criteria and compatibility zones are commensurate with those used by other ALUCs that have adopted plans over the last decade. Mr.

Brody said it was a good plan and it follows state guidance. He said the CEQA Initial Study and Negative Declaration also follows typical ALUC practice subsequent to the Muzzy Ranch decision of about five years ago, which dictated that ALUC plans are subject to CEQA requirements. He said part of that is you are required to look at what the affects or displacement of any uses might be outside of the airport influence area. Mr. Brody said they looked at that in the initial study. He said the noticing followed the common practice, not only locally, but that used by other ALUCs.

Mr. Brody stated that one other point to emphasize is that adoption of the compatibility plan does not preclude the City of Grass Valley from still moving ahead with the specific plan including the lake neighborhood as proposed. He noted that state statutes include provisions for local jurisdictions to overrule the ALUC. To do so they have to write findings that the action is consistent with the objectives of the state laws defined in the statutes, and Mr. Brody said that Executive Director Landon had read them in the meeting earlier. He reported it would also require a two-thirds vote of the City Council at that time. He said the city presumably might take on some liability in taking that action; the law merely states that the airport operator would not be liable in the event of a lawsuit.

Commissioner Beason complimented the ALUC staff and consultant for the good work that was completed on the NCALUCP update. He was on the Sierra Economic Development District, now SED Corp., when the ALUC activities were under their agency. He said his frustrations were that they could not get the compatibility plan updated, and the other NCTC Commissioners agreed that a good place to put it was under the Transportation Commission to get it updated and modernized. He thought staff and the consultant did a very good job, and thought the money spent on the update was well spent.

Commissioner Miller asked for clarification from Executive Director Landon that he stated he had made offers to make presentations to local elected, and he questioned when that offer was made. Executive Director Landon replied that with the Project Advisory Committee he had a standing offer to the staff that if they needed any presentations for their boards he was available. Mr. Landon said he made a presentation to the Nevada County Airport Commission on the basis of that. Commissioner Miller asked when that presentation was made, and Mr. Landon replied that it was in early June.

At 10:03 a.m. Chairman Jostes opened the Public Hearing and requested each speaker limit their comments to five minutes.

(1) Terry Lowell, Chair of the Nevada County Airport Commission, referred to the handout that he had prepared and was distributed to the ALUC and members of the audience prior to the public hearing. Mr. Lowell stated that the Nevada County Airport Commission was requesting the Nevada County ALUC to approve the Negative Declaration and adopt the NCALUCP that day. Mr. Lowell stated that Executive Director Landon had done an excellent job in summarizing the item before the Commission, and Mead & Hunt, Inc. did a superior job in preparing the NCALUCP. He spoke of how vital the Nevada County Airport is to business, recreation interests, and fire safety in western Nevada County. Mr. Lowell's first quote was from two parts of the 2010 Nevada County Regional Transportation Plan (RTP) adopted by NCTC. He said the RTP succinctly states how important the airport is to fire safety, business, and private interests in Nevada County. The two parts he quoted from his handout are from the Air Transportation section in the RTP:

"Both of these airports (referring to Truckee and Nevada County) are included in the National Plan of Integrated Airport Systems (NPIAS), which includes approximately 3,660 airports that are important to national air transportation. (Emphasis added by Mr. Lowell in his handout.) At the

regional level these airports improve mobility for recreational and business travelers, generate tax revenues, provide facilities for emergency response, law enforcement activities, fire fighting services, and air cargo delivery. Both airports are classified in the California Aviation System Plan as *Regional General Aviation* airport facilities. This classification indicates that they provide the same access as community airports, but are located in an area with a larger population base with a higher concentration of business and corporate flying; accommodate most business, multi-engine, and jet aircraft, have published instrument approach, and provide most services for pilots and aircraft including aviation fuel.” (Emphasis added by Mr. Lowell.) (Page 69 of the Nevada County RTP)

“As the sole public-use general aviation airport in western Nevada County, the Nevada County Airport is both a vital local transportation facility and a key link to the statewide airport transportation system. (Emphasis added by Mr. Lowell.) The California Division of Forestry and Fire Protection (CalFire) also utilizes the Nevada County Airport as a base for three CalFire attack aircraft, allowing quick response to fires in the surrounding foothills and mountains.” (Page 70 of the Nevada County RTP)

Mr. Lowell said that another indication of the importance of the Nevada County Airport to western Nevada County is found in Table 11 of the RTP, which states that the airport currently has 135 based aircraft and has approximately 30,000 landings and take offs per year. He stated that the use of the airport is projected to increase to 270 based aircraft and 60,000 landings per year, and he thought this was key. Mr. Lowell stressed that this type of activity indicates how vital the Nevada County Airport is, and will be, to western Nevada County. He reported, with regard to the fire safety element, that there was a fire the previous year on the south fork of the Yuba River, called the Dobbins fire, and he was at the airport that day. He observed the CalFire air attack tankers fighting the fire, and each airplane, which has a unique tail number on it, were making four trips per hour. He said, in other words, each airplane took off with a full load of fire retardant, flew to the fire and dropped their load, and returned to the airport and reloaded with more retardant; ready for another take off every fifteen minutes. Mr. Lowell said that was an excellent response time and it is only possible because the airport is located where it is and the air tankers are there. Mr. Lowell’s summarized his request to continue to allow the Nevada County Airport to fulfill its mission set forth in the RTP, and to continue to provide the fire suppression service to all Nevada County lands. Mr. Lowell said the Nevada County Airport Commission was asking the Nevada County ALUC to adopt the NCALUCP that day.

(2) Keoni Allen introduced himself as a contractor who built numerous buildings in the affected area, and he is also a very large supporter of the Nevada County Airport; it is a huge part of the local economy and he agreed with everything that Mr. Lowell said. Mr. Allen thought there should be movement towards the adoption of the NCALUCP, but he questioned the timing. He said he was also in attendance at the public hearing that day as a property owner of two affected properties and he was oblivious that the NCALUCP update was proceeding. He considers himself somewhat politically aware, and he was shocked that he had no idea that the final report was being considered for approval at that meeting. He added that he was also a Nevada County taxpayer and voter.

Mr. Allen stated that he had received a phone call one week previous to the meeting and was told there was a meeting on September 21st to adopt a new plan for the airport that would possibly have a major impact on the development of the properties that he owns. His immediate response was: “You are kidding.” He was surprised that he and others did not know, so he called friends who also own land in the area and got the exact same response. He said that Bill Litchfield, who was currently in the audience, was probably more involved at the Nevada County Airport than all of them collectively, and his response was the same: “You are kidding”. Mr. Allen said that something had

gone awry in the process and he heard in the meeting that people were not notified because it was not required. He did not question the legality of that, but he said to the Commission that there is most definitely a moral and ethical obligation to notify people that are affected by the action in the plan. Mr. Allen asked for more time to clearly understand what is going on. He said in years past they had proposed a residential development in Whispering Pines, which is a business park, and which is possible with a use permit. He said the plan has been worked on for several months and the owners believe it can be advanced to the City of Grass Valley for multi-family housing. It was his understanding that would no longer be possible with approval of the NCALUCP, and he would like an opportunity to understand exactly what that would mean for him. Mr. Allen said, while it is a good thing to update the plan, he thought this was rushing it a little bit, particularly in light of the fact that there is a hurry now after 24 years. He said you could argue that the hurry is now because it has been 24 years, but on the other hand it seemed a little bit rushed to him. Mr. Allen addressed the Commission, as his elected representatives, and said he hoped and expected that they would represent his best interest and give him due process to understand what was being proposed.

Mr. Allen said, in addition, with a few of his other hats on that morning, surely the Commission was aware that the land around the airport is the only M-1 property in the area. He said M-1 land is vital to the economic development and he asked if the impact had been thoroughly studied of the remaining M-1 land; if it had been, great; if not, then it should. Mr. Allen thought another really important item to address, and he had not seen the report because, "he has been living in a great bubble"; he asked if the impacts were studied of what is being done to the tax base if there is the creation of new unusable land if people's ability is restricted to develop their land. He asked if that land would then be devalued to the point where it would have a negative impact on Nevada County's tax revenue. Mr. Allen thought that was important to look into.

Mr. Allen reviewed that he could see no logical reason to proceed that day, after 24 years, and he asked the Commission to seriously consider continuing the item for 90 days, or, absent that, would they articulate the review process so the land owners could go down that road. He felt they needed more time.

Commissioner Beason asked the consultant if he said he did not specifically notify those land owners that were not affected by the NCALUCP update. Mr. Ken Brody responded that the general notification was a newspaper notification, as well as relying upon working with the PAC to let us know if there were areas where they saw, as the plan was proceeding, where there was a development or anything in the General Plan that would be in conflict, in which case they would make a focused effort to work with those owners as well. Mr. Brody said that it was just the Loma Rica Ranch that was the concern. He said if someone were proposing some development that would require a General Plan change, that is then in turn inconsistent; that was not looked at.

(3) Bill Litchfield said his family owns several properties that he believes would be affected by the NCALUCP, but he had not had time to read it. He said he had to make the same statement as Mr. Allen; he did not realize anything was going on up at the airport until Mr. Allen called him the prior day. He said he also would need some time to review the NCALUCP update. Mr. Litchfield said his observation was, regarding the plans at the airport that, originally, as some of the people knew, the airport was developed for an industrial park and airplanes would fly down the streets. He used that as an illustration of how plans change over time. He said he has owned property there since the 1970's, and there had been numerous changes of property ownership from originally industrial plating and machine shops, through a high tech phase, and he thought the area was now in some sort of another transition; therefore, the restrictions in place on the property around the airport are very important. Mr. Litchfield believed from what he saw on the map that the plan was about to restrict

some of the uses, yet again, and he would like a chance to review the plan as well. He thought the spirit of CEQA (California Environmental Quality Act) was it would be up to the Commission to contact property owners, and it should not be up to the land owners entirely to see those things coming. He said he missed this himself and he reads the newspaper every day and thinks he is relatively well-informed. He thought notices should have been sent out to the 3,000 property owners that are affected, if there are indeed that many. Mr. Litchfield urged the Nevada County ALUC to not approve the NCALUCP, and to give the land owners the opportunity to review the new restrictions so they can make some intelligent comments about them and maybe help the process. He agreed that the airport is vital; it is good for business, as well as for fire fighting, etc. Mr. Litchfield thought all parties deserved a little consideration in the process.

(4) Steve Enos, a resident of Grass Valley and a land use planner, said he is a former member of the Land Use Commission when he was on SEDD as a member of the Grass Valley City Council. He said the number one issue that he urged the Nevada County ALUC to look at was public safety. He recalled the accident at the Reno Races the previous week, and putting people near airplanes was a good example of what happens when something goes bad, and even with the best of plans, something can go bad and the results can be devastating. Mr. Enos said the public health and safety of the community, and of the pilots and the people that use the airport, would be the number one concern for the ALUC, and not the interest of a developer for a project that is being proposed. He added that the project is not approved; it has received its Environmental Impact Report approval, but the project itself has no approval. Mr. Enos said he found it funny about the public noticing issues, because the City of Grass Valley is trying to go ahead as quickly as possible and ram through a Development Agreement between the City of Grass Valley and the developer of the Loma Rica Ranch, to try to go ahead and vest his project, which is not yet approved; to go ahead and position it so it cannot be affected by the newly soon to be adopted NCALUCP for the airport. Mr. Enos said he could guarantee the ALUC that the City of Grass Valley, who had a Planning Commission meeting the previous evening to recommend approval to the Grass Valley City Council to adopt the Development Agreement for the development project, actions were to skirt around the rules that the ALUC is trying to put in place for public safety. He continued that the city did not notify the people of Grass Valley except by going ahead and doing the most basic notification in the newspaper that some are complaining about here already. Mr. Enos found that interesting that the city and some other people might complain about public noticing and letting people know, but they are currently ramming through a Development Agreement to skirt these new rules without letting anybody know, and just putting the minimal advertisement in the newspaper. He said it just seemed a little bit disingenuous to go ahead and make that argument when they are doing the exact same thing.

Mr. Enos said he worked for the U.S. Forest Service for fourteen years, and on 9/11/1988 his fire engine was the first responding engine to the 49er Fire that devastated our community and burned up over 340 houses and took out over 30,000 acres. He said the only thing that kept alive the fighting of the fire was the air tankers and the knowledge of what they do. He said without the air tankers things would have gotten worse. Mr. Enos said he was in the first responding engine two years before that when the Town of Alleghany burst into flames; the old hotel in Alleghany caught fire. When he got the call and responded, he did not have his fire engine, but was in a patrol vehicle, and he was the first person on the scene when two air tankers showed up from the Nevada County Airport; they were overhead almost instantaneously. He said the fire was able to be contained in the town because of that, so the fire did not escape into the wild land, and that allowed them to try and save the town. Mr. Enos said that has happened time-and-time again, and there is nothing more valuable than the air tankers at the Nevada County Airport to the community and the safety of the people around our county and others. He said that anything that could possibly jeopardize that has to go ahead and be considered with the utmost concern.

Mr. Enos said the ALUC is here to protect the safety of the community and the users of the airport, and the economic viability of the facility for the future; whereas there is a developer that wants to go ahead and try to safeguard a few hundred houses in a massive project he is proposing, when the City of Grass Valley has approximately over 500 units of residential currently approved and not yet built. He said when you look at this demand and this need, one of them is not for this 200 units of residential in that zone the ALUC is looking at going ahead and restricting, because there are hundreds and hundreds of units of residential and subdivisions that are already approved in the town that are in foreclosure, that are for sale, that are not built, that have gone through their entitlement process, their review process, and are ready to go. Mr. Enos asked what kind of market demand is there going to be going forward, when there are already 500 units sitting on the books that have not even been built because there is no market for it now. In summary, Mr. Enos asked the ALUC to consider the interests of the community and the future of the airport and place that above everything, including a developer's desire to develop a portion of a larger project that is going to provide him plenty of opportunity for more development, and consider the fact that the City of Grass Valley is currently trying to go ahead and quietly go ahead and bring through a Development Agreement with the developer to safeguard them so they do not get applied to what it is the ALUC is trying to go ahead and do; so it works both ways.

(5) Tim Corkins said he owns six APN's in the Loma Rica Drive Industrial Park. He said he was not noticed about the NCALUCP. He sat on a committee that developed the Loma Rica Drive Industrial Area Plan that was adopted by the Nevada County Board of Supervisors in 2008. He said it was a two year plan. Mr. Corkins said he would ask staff of the ALUC if they reviewed this plan that encompasses 474 acres of the property that is being dealt with. Executive Director Landon responded that he did not specifically look at that plan, however, again, any existing land use is not affected by the NCALUCP. Mr. Corkins said a whole chapter of the plan deals with the airport, the airpark, the economic factors, and the land use factors. He said sitting on this committee for two years they noticed everyone in the 474 acres about the plan, about every hearing, and when they went to adopt it, and this was senior planners doing this at the county, they noticed everyone up and down Greenhorn, well outside this area plan, so they could attend the meeting. Mr. Corkins said what was going on at the meeting that day was not noticed to the property owners. He said there is an adopted plan about the airport that has not even been reviewed by what is going on that day. He said that is the noticing they do in Nevada County when they go forward with something, but that is not what has happened. Mr. Corkins said to give all the property owners in Loma Rica Drive Industrial Park a chance to look at whatever is going on here and do the noticing that they do as citizens of Nevada County when they are put on a county advisory committee to look at a plan.

(6) Bruce Ivy, a local general contractor, said he has invested a lot of his life in property in Nevada County. He said his retirement – he has parcels that are affected by this and he has buildings that are affected by the ALUCs decisions. He said he learned about this, like some of the previous people, by word-of-mouth in the last week. Mr. Ivy said he does not know the full consequences of the ALUCs actions, but he wanted to reiterate, like previous speakers, that he would like to study the NCALUCP. He would like to make sure that the decisions of the ALUC would not affect his future livelihood; his retirement. He thought that even though the Commission does have legalities in not noticing people, that the people like himself who invest so much of their lives in property deserve to be notified when it affects them. Mr. Ivy thanked the Commission for their time and he could not say enough great things about what they are doing and how important the airport is, but it also affects a lot of them in business.

(7) Jeff Johnson of Pacific Land Enterprises, Inc. and Sierra Foothills Construction Company said that they have, over the past couple of decades, done several commercial buildings in the Whispering

Pines Business Park. He said there is more than one safety zone that goes through the park that they have to take into consideration when they do development up there. He said, as Keoni Allen mentioned, there is also allowed multi-unit residential when you apply for a use permit, and there has been those in the works over the years and still may be in the future. Mr. Johnson said that it was mentioned on more than one occasion that the changing of the NCALUCP does not affect any areas other than the Loma Rica Ranch, but he saw a cross-hatched area of Zone D with a star by it that goes over a portion of Whispering Pines and he would like to know what that is about. He summarized that he did not think that anyone in the room did not think that the airport is important to our community, or that safety of people around the airport, or fire safety in the area is not a huge concern and is very important to them. Mr. Johnson said he is just looking to know what is being proposed and how it might affect the property owners.

(8) Barbara Bashall, Nevada County Contractors' Association Executive Director, said she submitted a letter for the ALUC's consideration and she was not going to belabor the points that have already been brought up. She thought they were really good points. She wholeheartedly agreed with Mr. Lowell and the importance of the Nevada County Airport and the updating of the NCALUCP. However, what she and others were questioning was just the public hearing process. Ms. Bashall asked the ALUC to consider holding another public workshop with the property owners surrounding the airport, and she knows that consideration evaluation has been given to residential use, but she asked if the plan has evaluated the industrial uses and the height limitations, and noticed those property owners that may be affected by the height limitations around the airport. She thought that was an important issue. Ms. Bashall summarized and asked the Commission to hold another workshop and give those property owners the opportunity to weigh-in or understand the plan; would this be another evaluation that is part of that process. She said there are a lot of questions that they have that they would like answered as part of this process.

(9) Steve Garrett spoke as the representative of the Loma Rica Ranch, LLC. He said in their capacity as Commissioners, he was sure they knew that the airport serves to benefit an overall region, but that the impacts and the land use restrictions that go along with that are often born by those who live near the airport. Mr. Garrett said, in this case, it is really the City of Grass Valley that bears those impacts and some of those land use restrictions. He said, in his opinion, they have been following this process and the City of Grass Valley and its residents and land owners have not been given an adequate opportunity to comment on the NCALUCP; in some cases they have not been adequately notified. Mr. Garrett said they were asking the Commission to hold the matter over until sufficient outreach has taken place and the matter has been vetted through the community.

Mr. Garrett stated that it has often been said that you have to look at the forest before you can look at the trees, so he brought some community-wide issues to the attention of the Commission prior to bringing forth more details and remarks as regards to Loma Rica. He noted that he had limited time in the public hearing, but felt the most significant thing that jumped out at him was he contacted ALUC staff on September 13, about one week prior to the meeting, regarding Addendum #1 to the NCALUCP. He said neither he nor the rest of the community were notified about it and were not given the opportunity to discuss it in an open forum. Staff promptly provided him with a copy, which he appreciated, and he also noted that it was placed on the website promptly thereafter. Mr. Garrett said he could tell them from his experience; he has been in the development business for 25 years, and he would like to think that he is pretty good at what he does; he said that the ability to access this information for a typical land owner in the area was anything but user friendly in his opinion.

Mr. Garrett noted that the big thing in a more detailed fashion that he wanted to talk about was that there was a change of the area of influence and it was changed from 1.3 miles, in what it was originally circulated, to about 1.7 miles. He said it all happened rather quickly and he only had one week to respond to it, but they took it upon themselves to look it up on Google Earth, so it is not a precise measurement, but he wanted to put this in context for the Commission. Mr. Garrett said they measured from roughly the end of the runway 1.3 miles, which takes you to about Sutton Way. They then, in turn, measured 1.7 miles from the same point and that takes you to about the other side of the freeway. He said that encompasses an awful lot of property; an awful lot of residents; an awful lot of property owners. He asked, how many is it; he did not know. He said they are residents and property owners in the City of Grass Valley that are bearing the impacts. Mr. Garrett stressed that they were not notified of this, and he thought the NCALUCP approval should be held over until such time as it can be vetted and understood by the community.

Mr. Garrett stated that there had been much talk about outreach, and again, at a forced kind of level. He said in his experience when they do the outreach in development projects; and he has developed projects as far south as Santa Cruz and as far north as Nevada County, Napa, and everywhere in between; he said every single city, jurisdiction, county, has a noticing process that needs to be adhered to. Mr. Garrett said there are two levels; there is the newspaper and the general things that were talked about, but there is a second level and a second level of care that needs to be taken that he did not believe was taken in this case; that was that the affected property owners need direct mailing notices. He said typically every city is different; 1,000 foot radius, 500 foot radius, whatever it may be; whatever the elected officials deem necessary, but those people receive individual notices in the mail. Mr. Garrett said he did not receive those and he did not believe others received direct mailed notices of every meeting. He said it was talked about regarding standing offers to meet with people; he did not think that was the level of care they did at Loma Rica; that was not the bar that the City of Grass Valley held them up to; and he thought that the residents affected by the NCALUCP need to have the opportunity and the luxury at that same bar; and they had to go and reach out to people. He said a standing offer to meet with somebody is vastly different from reaching out to them and being proactive and saying that you are going to have a meeting and do it on this date. Mr. Garrett thought it was pretty well mentioned that that was the way the process has been. He was not saying it was a bad process or an incompetent process, it is just not good enough and it is not good enough for the property owners and the people that are affected, and he thought that the people in Grass Valley deserve more.

Mr. Garrett wanted to bring some details about the Loma Rica Ranch to the Commission's attention. He thought that this action and some of the discussion about the lakes neighborhood really rendered; there was talk that it was just reduced density, but it is more than that, and he thought it also affects some of the things people are talking to about the economic benefits and future of the airport. The five minute time limit was up at this point and Mr. Garrett said he hoped the Commission would hold over the decision.

(10) Tom Last introduced himself as the City of Grass Valley Planning Director and also a member of the PAC to review and update the NCALUCP. He said the Grass Valley City Council had submitted a letter to the ALUC respectfully requesting a joint session. Mr. Last referred to the other testimonies and indicated that there had been a substantial amount of interest in the NCALUCP. He said there were some huge policy implications the ALUC is considering. He said the City Council was requesting a formal meeting with the ALUC in order to fully understand what that means to the ramifications of the city. He said as it pertained to the fundamental, some of the comments that had been made, the ALUC was in a bit of a dilemma; they had been presented with a lot of information, and some of it was not factual in his opinion. Mr. Last said, in terms of how information was

presented and how processes have occurred, is not factual. He said he took offense to a certain extent to one of the comments the consultant made that this is a plan for the community, yet there has been no community involvement. He took offense that there is an implication that the City of Grass Valley is a part of the PAC and had a responsibility for carrying out the staff functions or the functions of notifying the public or property owners who may be affected; or notifying the City Council. He said that was not the role of the PAC; they were there to look at the technical aspects and they did throughout the whole process.

Mr. Last said they did appreciate the staff's and consultant's efforts to address the technical issues they raised as staff at the county and city level. He said the map in the plan evolved significantly from the first time they saw it. Mr. Last said if city staff was not involved and engaged in this process, the map would have looked significantly different. He said what that demonstrates is there is a substantial amount of flexibility in the guidelines developed by the state. Mr. Last said they understand the importance of the airport and the need to protect the airport interests, but at the same time the public engagement and the flexibility built into the 2002 guidelines, which are in effect and are being modified currently and apparently there will be new guidelines coming out in the next month or two. He said if city staff would not have challenged some of those points and continually raised them, the map would have looked significantly different. Mr. Last said what that tells you is that there is a substantial amount of technical and flexibility built in for the Commission to consider. Based on that, one of the other statements that the consultant made was that there was a fundamental concern the city has; using the local practice for following public notification process, which is the General Plan and zoning. He said what that requires is notification of each property owner; that was how the City of Grass Valley would do it. In this case, Mr. Last said there was a very small ad put in the newspaper; not even an 1/8th page ad. He said if it is a project for the city when they are processing a General Plan amendment or a rezone, the city notifies individual property owners, and despite the statement made, the city did contact with the Development Agreement; the city did contact individual property owners and they did contact the surrounding property owners and they did put an ad in the newspaper; so despite the testimony given that day, that was misinformation provided. Mr. Last said what they believe is that if this is truly a community plan as stated, there should be community involvement; and that is what the City Council is asking for. He said the notice period that was mentioned about the review of the draft plan; the only official notice the city received was in July as Mr. Landon indicated, and that represented the review of the environmental document. Mr. Last said there was nowhere in the notice that said they were asking for formal comment, or formal review, and that there is a formal review period for the draft document, which is a policy issue and not a PAC issue.

Mr. Last said, again, the implication that there was a standing invitation; that is really not the responsibility of the PAC, but that is the responsibility of the staff to ensure that the city; this is a huge issue for the city as it applies to policy issues; and the guidelines are very clear, very clear, in terms of how you should engage a committee. Mr. Last said the guidelines specifically say that engaging and having city staff involved, or county staff involved, does not meet the fundamental needs of public outreach. He said you need to involve the cities and the counties that are directly affected; their representatives and not city staff. He said those are clearly in the guidelines and, therefore, the staff ... as his time was running out... He directed the Commission to the letter sent from the Grass Valley City Council and the Mayor requesting a continuance and an engagement in a conversation with the ALUC. He reviewed there are big policy implications, there was a lot of misinformation that the ALUC was given, and the city believes this needs to be resolved with the Commission and the City Council prior to the ALUC making the decision on the NCALUCP. Mr. Last said he was sure there may be some questions, but he will be there if the Commission would like to ask him questions later.

Commissioner Beason asked to make a comment for the record: "The City of Grass Valley has a representative on the Transportation Commission. I would just like that noted." Commissioner Miller said the City of Grass Valley's representative on the Transportation Commission was not on the Transportation Commission when the request for the new NCALUCP was made. Commissioner Beason said his remark was that the City of Grass Valley has a representative on the Commission; that was his note; period.

(11) Dan Holler, City Administrator for the City of Grass Valley, said the Commission has the comments from the city in the letter they put forward to know what the city was requesting. In terms of a couple of issues; one is to hold a joint meeting with the Commission to discuss the issue and the impacts as they have heard from some of the residents and business owners, over and beyond what had been touched on in the report. Mr. Holler said that no one is challenging the value of the airport; the fire suppression efforts that come out of the airport, and the type of needs the community has. He said as it relates to development impact, the city is the most significantly impacted agency from development impact that the plan has; be it the Loma Rica Ranch, be it the Whispering Pines Business Park, and ultimately the Loma Rica Business Park. Mr. Holler said one of the city's concerns; he knows it is probably less of an issue for the land use commission to look at; is the infrastructure elements that they have to deal with. He said as they begin to look at and have several discussions related to Loma Rica Drive, related to sewer extension up to the airport area for the expansion of business. Those types of elements that will be impacted by the changes, if potentially they have to go forward with the Loma Rica plan. If this goes in, that will impact what the city can do from a development standpoint; it will change that infrastructure planning process. Mr. Holler said he thought it has a very significant impact and ultimately impacts the county probably as well as the city in terms of surface provision there. He said he understands that is not a primary issue for the land use element for the airport, but it is very much a critical piece of policy boards that oversee the development around the airport.

Mr. Holler said as the Loma Rica process has gone through, the city has had a Development Agreement as part of the process in the last three years; they have paid their fees, and they put it in as part of the development process. He said it cannot be completed until the CEQA work is completed, not that the Loma Rica Ranch has not been around a while; several years in terms of process, and the last couple of years really moving it through. Mr. Holler said that planning process, in particular; you really have an unfortunate conflict of plans coming together with adoption timeframes. He said if the plan had been adopted six months ago, or a year ago, it probably would not be the same issue. He added if the Loma Rica plan had been moved in the same time frame a year ago and been able to get through all the processes, you would not have this issue sitting before you as it relates to that plan. Mr. Holler requested a 90 day extension, or so, to allow the City of Grass Valley to finish their planning processes with the developer, while it allows the community to come in and respond to the plan accordingly. He felt it would be reasonable to take a look at that. He thought there were broader infrastructure issues that have to be looked at as well for that planning process that will impact other agencies besides the city with that.

Mr. Holler said the other challenge the Commission had to deal with, and they could argue, but he would not get into it, were the legal issues about whether the noticing was adequate or not. He thought it was bad that people were coming in that have not been noticed; it is a concern. He said the City of Grass Valley would have that same challenge if you came to the city and looked at that continuation element to that nature. Mr. Holler said the other component that the city dealt with, and Mr. Last mentioned serving on the PAC, when they looked at the element, was can the city address the issues that they were seeing come forward. He said the answer to that was "yes"; the city could work through those, and the vast majority of technical issues were addressed through that technical

process in that planning. Mr. Holler said he thought there were a couple of key policy issues left. He was looking at the impact of Loma Rica and where the flight patterns are in the NCALUCP; not that a pilot is going to follow the exact green line on the map; but the element there really has pulled development away from those flight zones. He said part of that is by pushing them close to the airport in one sense, and breaking it out in the other way. Mr. Holler said he thought a lot of the safety issues had been incorporated or looked at in the planning process. He said the plan was originally reviewed under the 1987 plan, as the one that was in place at the time the planning process was going on, and it is the plan that is actually effective today, pending adoption of the NCALUCP update. He stated there was a plan in process, and the city took the documents in place, utilized them for all of their decisions, moved through the decision process, got to a point where they were going to change a fundamental document; and determine how much of that planning process has to be started over with or back up and retrack. Mr. Holler said that was a concern in the process, and he thought it was really unfortunate that the two processes collided in the time frame; again, six months to a year either way, they would not be in the meeting with this discussion.

Mr. Holler reiterated the City of Grass Valley Council's request for a joint meeting or follow-up meeting with the ALUC; it would be nice to have that. He said, additionally, public outreach to the property owners of that area so they can fully understand the impacts. And he would like to have a better discussion related to the potential impact of infrastructure elements that ultimately serve as a job generator in the area of the county and the city sphere of influence that everyone sees as valuable. He said the airport is an asset; you want to protect it, you want to maintain it; setting aside to use the other elements probably would make it better than what it is today. He thanked the Commission.

(12) Charles Faber introduced himself as a property owner at the entrance to the Nevada County Airport. He said he was curious as to how the regulations in the NCALUCP would affect his piece of property. He said he considers himself to be fairly aware and he had no idea that this process was going on. Without repeating what had been said, Mr. Faber encouraged the ALUC to delay the action and include the property owners in the process.

(13) Dennis Roberts said he is a property owner in the Wawona Madrona area and at one time he was a principle in the B2 area, which is something that is very familiar to the Nevada County Board of Supervisors. He tried to develop a project there called "Winds Aloft", and he said he no longer has a dog in this fight, other than the fact that he had a couple of points he wanted to make to the ALUC. Mr. Roberts said when he was involved in the process of trying Winds Aloft, they were asked in a very strong way to provide community input, so they sent out over 500 letters to the people surrounding Winds Aloft. He said they received 300+ back and only two of which were negative; they had support of the project from the community. Mr. Roberts commented that this is an engaged community; you give them a chance to do something and they are going to respond to you, especially those that are affected. He said, just by what the Commission saw that day, it tells there are enough people who did not know about what was going on; that the process of notifying those people who are going to be directly affected was not taken into account. Mr. Roberts reviewed that they were directed to do that, and they did it, and received a great response; more than 70% responded. He thought if you do this with the community, especially since it is involving the City of Grass Valley, and they have not yet annexed all of it; if he remembered correctly, the annexation was to go in somewhere in 2015 or 2016. He said there are a lot more people involved that have not been notified; and not to beat a dead horse, but he thought the ALUC could do their research on the process of the project Winds Aloft and find out what the reasons were that it was denied, and you will find that it is directly affected by the ALUC's decision of what they would do that day.

(14) Mark Machado said he currently is a land lease holder at the Nevada County Airport. He guessed that he is the largest land lease holder at the airport currently, and as such, he said he had a keen interest in making sure that the airport remains a very vital installation. He said, on the property that he particularly has under lease, which is around 3 acres; over the last ten years, he has developed a multi-million dollar facility that the County of Nevada certainly is benefiting from, as are many of the people in the community. Mr. Machado said he has mixed feelings about all of this. He said he is also a general contractor and has spent a great deal of his life developing property, and building homes and commercial projects. Mr. Machado felt he should, if he has the right, to task the ALUC with something; if, indeed, the ALUC is considering delaying the adoption of the NCALUCP, he would task them to also come up with some creative ways to delay the implementation of any Development Agreement between the Loma Rica developer and the City of Grass Valley. He said it is really the only way to be fair, or to be on par, here. Mr. Machado said he would be very interested in hearing what a lot of the speakers have to say after they have had a chance to further review the documents. That said – is it really fair to allow at the same time, during the same additional time period for review, for some Development Agreement to go forward; it probably is not. Mr. Machado asked the ALUC to please consider that in the deliberations.

Chairman Jostes closed the Public Hearing at 10:50 a.m.

Commissioner Scofield asked Mr. Brody, the consultant, to clarify how the NCALUCP would affect a specific project in the Whispering Pines area, since he did not think it was a part of this. Mr. Brody responded that in terms of a lot of development in the immediate vicinity of the airport, along Loma Rica and elsewhere, through their evaluations they did compare what is in the General Plans and what is in the current compatibility plan. Mr. Brody said while the NCALUCP may, indeed, add some additional restrictions that are not part of either the General Plan or the current compatibility plan, there was nothing that the consultant envisioned or saw that was in conflict with the local zoning, local General Plan, or anything else. As Mr. Brody said earlier, if there was a thought of development that would go beyond what maybe is in the current General Plan, then this might put sort of a lid on that, with respect to what development can occur. He said that certainly the type of industrial development that is common all around the airport vicinity, the NCALUCP would not be in conflict with that. Mr. Brody said if someone would want to put a multi-story building in, then that might be another matter.

Commissioner Beason, with permission from the Chair, asked the consultant if he had anything else to say before the Commission deliberated. Mr. Brody replied no, that he would respond to any questions the Commissioners may have.

Commissioner Miller asked, in light of the comments of the people who came forward, if it would be prudent for the Commission to delay action on the NCALUCP itself. He said that the Commission has heard comments that people have not been informed, that there is flexibility in the plan, that offers of presentations have been made that local jurisdictions have not seen. Commissioner Miller said it certainly affects the City of Grass Valley; the Loma Rica Ranch project has been in process for 20 years, and the city thought they had a done deal until the NCALUCP update came up. He said it also affects the economic growth and job generation up in the Loma Rica Industrial Park, obviously, which is something that is almost a side effect of what will happen if the lakes neighborhood is not developed. He said in light of the individuals who are at the meeting that had not been noticed, and whose properties might be affected, and that denoted, the community does get involved here if they are notified, and apparently that was not done even though the testimony was that it was done.

Chairman Jostes said the question that comes up is what appears to be a thorough technical study was done; what testimonies or what inputs might change the lines on the map.

Commissioner Guerra acknowledged that the Commission heard from people who have contributed a great deal to the community and are very invested in the community in their specific roles. She said that the ALUC role that day is very limited and very defined; it is not to judge the merit of a development project, but it is about protecting public safety. Commissioner Guerra said the Commission hears that people would have preferred a broader notification process, but the notification process the ALUC engaged in was a legitimate process. She said she did not see that a delay would minimize any safety risks or serve to protect the public from hazard, and as the last speaker suggested, the Commission has no ability to separate the processes, of giving more time to review with this plan and the other process going forward. Commissioner Guerra said she was focused on what the role as the ALUC is, and it seems pretty clearly defined.

Commissioner Beason took Commissioner Guerra's point further. He said it is not uncommon, with his experience on the Board of Supervisors, a land use or similar project or a policy comes forward and at the very end they always have people who come forward and say they did not know about it. He said that is life; it is not a criticism; it just happens; and the Commission was seeing some of that at the meeting. Commissioner Beason said it was clear to him that this was sufficiently noticed; the ALUC has two legal opinions that say it was. He said if you go back to the minutes of the last meeting, it takes you through all the things that occurred, along with the staff report at the current meeting. Commissioner Beason said the NCALUCP was brought to the Commission on July 20th; all Commissioners were in attendance, and the issue of the McBoyle Lake house construction was addressed and there was no concern expressed, no questions asked, no apparent misunderstanding that that was going to be a problem in this process. He said \$80,000 was spent on the update of the NCALUCP and a lot of technical work had been done, so he thought the idea that this has not been sufficiently noticed is incorrect. He said, obviously, there is the question always as how far you have to go before the responsibility shifts to the public to be informed; he did not know where that was. Commissioner Beason said he had never heard the term "second level of care" before, until Mr. Garrett used it; that is an interesting term. He said in his mind the ALUC has sufficiently noticed the process.

Commissioner Beason said there was a question about the environmental document. Under California environmental law, environmental documents have to pass a test of adequacy and sufficiency, not one of perfection. Commissioner Beason said he has gone through the Negative Declaration and there is nothing wrong with it in terms of if it is adequate. He said you get down to some of the things that were commented on marginally, or peripherally here, and you look at the correspondence that was received, and people start talking about the project, as well as economic development, sewers, and things like that. Commissioner Beason said there is nothing in this new plan that is a serious departure from the old plan in terms of relationships with the General Plans. He questioned if the only issue was McBoyle Lake. Ken Brody responded that was the one conflict in terms of existing General Plans. Commissioner Beason asked if there was anything significant under the sun that was new other than that. Mr. Brody said yes, in terms of the effects on General Plans. Commissioner Beason said that Executive Director Landon pointed out in the staff report that if the City of Grass Valley is concerned about the Development Agreement, and the city is concerned about the McBoyle Lake upscale house development being the lynch pin for sewer in the Loma Rica Industrial Park, they have methods and means by which they can make that happen. He said they can go ahead and make findings to depart from the NCALUCP.

Commissioner Beason said economic development, in his mind, is not an issue. He said if the ALUC adopts the plan today, the City of Grass Valley still has means by which they can address sewers and all those things. He said there are other ways to get the Loma Rica Industrial Park sewered besides the McBoyle link. Commissioner Beason said, when it came down to himself, it is a safety issue, like Commissioner Guerra stated, and that is the responsibility of Commissioners on the ALUC. He said by delaying for two months and the Development Agreement is done, the Commission would be turning a blind eye to an obvious safety consideration of which property and lives could be in danger, and he would not put his name on it. Commissioner Beason said that the only thing he could conclude, having gone through all of this, is knowing full well that the City of Grass Valley can go ahead and do the things they need to do. He said he has been in the business long enough to know that if they want to find a finding, they can find it, or make one; they can achieve the desired result. Commissioner Beason said he is not, as a county supervisor – those are his friends in attendance who he is arguing with and that is a regret; he hates being in this kind of a position that he is in, and he respects them. But as a county supervisor, Commissioner Beason said he cannot vote to put the county in a vulnerable position liability-wise or otherwise with a safety issue; he just cannot do that.

Commissioner Harris said she went through the meeting packet and then spoke to Executive Director Landon to get some clarifications, and heard from various people at the meeting that day; and she thought something fundamental was what Commissioner Beason was ending on, which was that if the ALUC accepts the NCALUCP today, the City of Grass Valley still has the means to go forward with a development that they seem to want to do. She thought that was compelling. As it was explained in the meeting packet, and she clarified with Executive Director Landon, she said what would happen is the liability would shift from the ALUC and Nevada County over to the City of Grass Valley. Commissioner Harris said if she was wrong, she would like someone to tell her, but she has heard this remark three different times.

Commissioner Harris said she is also a pilot; she has not flown in a bit, but she does have that “hat” as well. She thinks the growth that is projected for the airport, which will be good for the community economically, and is part of the Commission’s purview, and the safety issues are compelling. Commissioner Harris said an accident happening because of the proximity to the runways; she thought if the Commission asked an insurance professional, they would say it is not a question of “if”, it is probably a question of “when”. She said it might be 50 or 100 years from now and we may all be gone by the time that happens, but it is clearly the ALUC’s role to look after both the development of the airport for the future and the safety for the community. Commissioner Harris said the other issues about land use, really, on this Commission, are outside of the ALUC’s purview. She said she was sorry for the conflict that was happening; she said she was especially concerned about the land owners that were surprised just in the last few days of learning this and they do not know if they are going to be affected or not. She said possibly in the future, modifications could be made if something were learned that it is possible to work out safety issues and still have modifications; she did not think the plan was in stone forever, but it did seem like everything was done legitimately and the role of the ALUC is clear and the Commission should approve the NCALUCP that day.

Commissioner Scofield addressed the Commission and members of the audience and said this was very frustrating to him, because there was enough testimony at the meeting that day that says there was not a good notification process going on. He thought there should probably be another workshop held for those owners to get that information. He said it would be very easy to decide to extend the adoption of the NCALUCP; 24 years is a long time and there is no reason not to do it; except for the fact that it appears to be a delaying tactic. Commissioner Scofield recalled that Keoni

Allen mentioned the terms "moral and ethical"; for the Commission to delay this action, there is almost a moral and ethical part that says the Commission delaying the action simply allows the Loma Rica Ranch project to go through. He thought there was a moral and ethical part that also has to be served on that part of it. He felt really bad. Commissioner Scofield said if the Commission could say to do another workshop on the plan and come back and be right where they are right now, as far as this particular development, he would say to do it; but, apparently to do that would simply mean that the City of Grass Valley would go through the process and the Loma Rica Ranch project would be then "grandfathered in". He thought there was something not right about this. Commissioner Scofield said he also knows enough about development to say to you, "the cat is already out of the bag." He said if the Commission were to delay the adoption of the NCALUCP and the project was grandfathered through, there would be a challenge legally on this action. Commissioner Scofield said perhaps the best thing for the Commission to do is to pass the NCALUCP, go through the process that they are legally and morally and ethically obliged to do; maybe it is better to do it through this process rather than waiting until the end and someone comes in and says it was a delaying tactic and it was not handled properly.

Commissioner Dee said she agreed with everything that had been said. She said she understood the frustration of the land owners. She said they also have notes there that the City of Grass Valley was well aware of this and they had this document. She noted that Commissioner Miller was at the July 20th ALUC meeting and there was no challenge brought up; there was no discussion about concerns of the city. Commissioner Dee said, but regardless, the one thing that she was disappointed in hearing that day, in addition to their frustration, is the people are recommending that the Commission delay the adoption and totally disregard the safety issue. Commissioner Dee was concerned that the City of Grass Valley has gone ahead with development plans when they have to have known that the airport plan was woefully overdue; it was deficient; it needed to be corrected; if the regulation recommends 5 years and it has been 24 years since the NCALUCP has been updated. She said if they were looking to develop that land, why weren't they asking for an update to the plan; why weren't they saying this is a safety concern; and then they want to stop it at the eleventh hour as Commissioner Beason mentioned; this all brought a lot of concern to her.

Commissioner Dee commended Mr. Lowell for wanting the NCALUCP to go forward, to bring the airport up-to-date. She also recognized Kevin Smith, who had just left the meeting and who is the General Manager of the Truckee Tahoe Airport, is in the process of redoing their General Plan now and it is not 24 years past due; it is not 5 years old and they are doing it because they feel that responsibility, and because the Town of Truckee was demanding that they do that and keep it up to date. Commissioner Dee said you cannot predict what will happen, or how, or where. She disclosed that she was at the Reno Air Races the past Friday and there was no way to predict what happened [an airplane crashed in the audience and killed and injured many], and had it been into a home it would have been even more devastating. She could not condone, and she felt this before, but Friday just made it worse for her. Commissioner Dee said the Commission needed to go ahead and make safety the priority of the ALUC; that is the responsibility of the ALUC. She said, yes, they want to encourage development and, yes, they want the city to be healthy, and they want that to go forward in the best way possible; the city has the ability to do that. Commissioner Dee said the ALUC has to act under their purview and that is to promote safety and concerns for the greater community. Commissioner Dee said the ALUC needs to put the NCALUCP in place and move forward; if the city wishes to challenge it, then it becomes their responsibility and their liability.

Commissioner Miller said he did question at the July ALUC meeting in Truckee that the consultant was working closely with the Loma Rica Ranch project and with the City of Grass Valley. He said after the July meeting he did talk with Tom Last and Dan Holler and there were still obviously some

concerns as far as the NCALUCP draft. To say that the city knew that the current plan was “woefully overdue”, he thought was a misstatement. Commissioner Miller said the Loma Rica Ranch project, which obviously the plan impacts, was working within the constraints of the airport compatibility plan that the ALUC is updating right now, with a very legitimate project and it met all of the requirements. He said that it is the new NCALUCP that is coming in at the eleventh hour and throwing a little monkey wrench into a project that has been in development for twenty years. Commissioner Miller said it was obvious that the sentiments of the rest of the Commission were not to delay the adoption, so he did not belabor the point.

Chairman Jostes said the way he would look at it is that in his mind the preparation of this compatibility plan has been lengthy – 9 months, orderly, inclusive, and attempted in all good faith to involve all the appropriate parties. He said it also seemed to him that the safety issues the Commission are dealing with are not being made up on the fly, but are, as he understands it, reasonably established with the state, and the ALUC is starting to apply them now, but they are not being made up as the process goes. Chairman Jostes said it is prudent development planning when you are planning around an airport. He said it seemed to him, in a way, that perhaps the Commission’s due diligence was not done on the part of the City of Grass Valley and the developer, seeing that this particular lake property was in the left-hand turning zone of the airport, which apparently is a high frequency pattern that a casual observer might say to himself, this is something we will need to be concerned about; perhaps asking questions and perhaps asking questions of the study that has been going on nine months. Chairman Jostes said it did not seem like this should be a particular surprise, and certainly, he thought it was important that the updated criteria, when it becomes available to the Commission, and is now sitting in front of us. Chairman Jostes said he has been involved in safety in the private sector for many years and you do not just have someone hand you a legitimate safety concern and choose to ignore it. He said it seemed important that updated criteria be applied to any new development, and he would not want to be the one that would be party to approving, perhaps not directly but indirectly, having this proposed lake community underneath a left-turn flight pattern of this airport. Chairman Jostes said this is clearly a safety issue and that was the position he would take.

Chairman Jostes asked if there were any other comments from the Commissioners.

Executive Director Landon said he would like to offer from the ALUC staff perspective, with regard to the property owners that spoke at the public hearing that day; again, in good faith, the state procedure was followed and when there is over 1,000 properties involved, the requirement is not that you have to notify individual owners. That being said, Mr. Landon said the other reason that individual owners were not notified is that anything that is there, and is consistent with the existing General Plan, is not impacted by this and any existing land use that is zoned, and is there, is not impacted by the plan. Mr. Landon repeated that any property owner that has a concern, he would be happy to sit down with them, get assistance from the consultant Ken Brody, look at their individual property, and verify that there is no impact on something that is already there or that is already approved by the General Plan.

Commissioner Guerra made a motion to approve Resolution 11-01 to adopt the Nevada County Airport Land Use Compatibility Plan, with the modifications noted in Addendum #1 dated September 8, 2011, and approve the associated Negative Declaration prepared in support of the NCALUCP. Commissioner Dee seconded the motion. Commissioners Beason, Dee, Guerra, Harris, Jostes, and Scofield voted “aye”. Commissioner Miller voted “no”. The motion passed as noted.

At 11:15 a.m. Chairman Jostes adjourned the Nevada County Airport Land Use Commission and reconvened the Nevada County Transportation Commission.

Chairman Jostes called a five minute break and the meeting continued at 11:20 a.m.

INFORMATIONAL ITEMS

5. Correspondence

- A. Caltrans District 3 - Response letter to the Town of Truckee that the SR 89 Mousehole project is eligible for SHOPP (State Highway Operations and Protection Program) funding through the Americans with Disabilities Act program and funding for construction capital will be proposed as part of the 2012 SHOPP. 7/29/11, File 1200.4.

Executive Director Landon said he thought the Commissioners were aware of the ramifications of this good news that the state will include in their plans the funding for the construction of the pedestrian tunnel project that has been worked on for several years. Mr. Landon said it is going to be a part of the 2012 SHOPP listing and will go to construction in about two years.

- B. Caltrans Division of Transportation Planning - NCTC has been awarded two federal transportation planning grants for FY 11/12. 8/1/11, File 1030.0.

Executive Director Landon said these items are included in the FY 2011/12 Overall Work Program budget and will be reviewed later in the meeting under Action Item #9.

- D. Nevada County Department of Public Works - Letter to NCTC explaining why the Department, on behalf of Gold Country Telecare, was deobligating \$130,000 in Congestion Mitigation Air Quality (CMAQ) funding for two diesel buses. 8/8/11, File 500.5.

Executive Director Landon noted for the Commission's information that this is the first time this type of thing has happened to NCTC in the history of the CMAQ program where the funds will be lost. Commissioner Beason said when you talk about transitional difficulties that meant to him that things slipped through the cracks with the turnover of Executive Directors for Gold Country Telecare. Mr. Landon said he did not think that was the case and went on to explain that initially the type of bus that Telecare wanted was not available under the state contract, but they went through changes in the state contract. Mr. Landon stopped and asked Mike Woodman to help him with specific details of the several key things, and he did not think the transition of directors was really the key thing. Mike Woodman said it was not the key thing in the end, but the transition resulted in delay of moving the procurement process forward, so it did play a factor in it. Mr. Woodman said once the procurement process moved forward and county staff worked to procure those vehicles, the type of vehicles that were previously approved by the Commission were no longer available, and because the programming of the funding in the Federal/State Transportation Improvement Program (FSTIP) was in the previous FSTIP cycle, which is closed, there was no way to go back and revise that project description to another type of vehicle. Commissioner Beason said, from a county point-of-view, they stepped in to help sponsor this procurement, and it blew up in their faces. Mr. Woodman said they looked at a number of ways to try to make sure the funds could be kept and not lose them, but in the end there was no way to capture the funding.

Chairman Jostes asked if this loss would have any impact on services. Mr. Woodman said he did not believe so. Susan Healy-Harman, Transit Manager for Gold Country Stage, had indicated to Mr. Woodman that Telecare has other funding opportunities coming for vehicle replacements. Commissioner Scofield said it was brought up that they have five buses. Susan Healy-Harman said that Telecare has leased two buses from the county. Commissioner Harris asked what the other funding sources were. Susan Healy-Harman said Telecare has the two county vehicles that they have leased and they are operable currently, and they were just approved for five vehicles with a Section 5310 grant. She thought that two of the vehicles were being delivered within the next month or so, and the order for the other three were pending. Commissioner Harris said she thought as the Commission goes forward with funds like CMAQ, which is a very defined process, that the Commission take into consideration as they select projects to be sure that they are the kind that can move forward expeditiously and not lose money again.

- F. NCTC letter to Jody Jones, Caltrans District 3 District Director - Cost overruns on the right-of-way phase for the Dorsey Drive Interchange project. 9/2/11, File 1030.3.2.1.

Executive Director Landon stated there was a representative from Caltrans District 3 Right-of-Way (R/W) Division present at the meeting to explain what happened in the cost overrun situation. He said he thought his letter was very clear that the Commission was not happy with the situation and hoped it would never happen again. He said that he was looking to Caltrans to hopefully work with him to make some type of recompense. Mr. Landon introduced John Ballantyne to explain the overrun.

Winder Bajwa, Project Manager for Nevada County, asked if the discussion of the cost overrun could be addressed as part of the Dorsey Drive Interchange project status under his report (Item #7). Chairman Jostes responded that would be OK. Commissioner Beason asked permission to ask one question, addressed to Executive Director Landon: He said it was his understanding that even though the NCTC is in charge of the RIP (Regional Improvement Program) funds, in this case for the R/W acquisition, NCTC had given Caltrans some sort of latitude. Executive Director Landon replied, as lead agency, Caltrans has control of the funding. Commissioner Beason asked if there was a lid on that. Mr. Landon responded no; the lid was the budget that NCTC assumed would be in place, but the budget is gone. Commissioner Beason questioned if the authority Caltrans has from NCTC carried over into overruns. Mr. Landon said in this case, where STIP funds are being used, the state policy is that when Caltrans is the lead agency, if they exceed the budget, then how the state makes them whole for their operation is to take future shares from the agency. Commissioner Beason asked if that was expected to happen. Mr. Landon said that will happen. Commissioner Dee asked if they at least have to notify NCTC, since this was rather a large surprise and she was disappointed. Commissioner Beason said it went from \$200,000 to \$3 million in two months.

Commissioner Harris added on to Commissioner Beason's question; if it were possible to go back in time and have a do-over, or as they go forward with other projects, could the Commission stipulate in the agreement when Caltrans is made the lead agency that there is only an acceptable amount of cost overruns. Executive Director Landon said he thought that was doable and he referred the question to NCTC's legal counsel, Nancy Miller, in the audience.

Nancy Miller said it had been a long time since she was before the Commission, and she says that all the time, since she does work for a lot of Commissions such as Placer, El Dorado, Amador, Modoc; small world Commissions. She said the NCTC has a great staff, so it was really nice to not have to be present at meetings, but there were two issues at this meeting she wanted to be present to help

address. Ms. Miller said there are some restrictions on Caltrans; obviously it is a little bit of a battle because it is their STIP money, so they do have control over that, but in the future she and staff will be looking to add new provisions. She said it is always a negotiation because many times they do not accept some of the language that we want to include. Ms. Miller said in the future they will be definitely looking at that, as they are in other jurisdictions. She said a part of this is because of their shrinking budgets; many times with overruns you did not have to worry about this, as opposed to the current times.

Executive Director Landon noted, to Caltrans' credit, that NCTC has had a history of good project management with them in the past. He reviewed the SR 49 project where the roadway was widened from the Bear River Bridge to Wolf/Combie Roads and it came in under budget and ahead of schedule. He said the current project at SR 49/La Barr Meadows Road is on schedule and within budget. Mr. Landon thought this overrun was an out-of-the-left-field type of situation. Nancy Miller asked if he was meeting with Caltrans. Mr. Landon replied affirmatively. Ms. Miller reviewed that NCTC also sent Caltrans a letter regarding the overrun, and she thought the problem was the utility relocation costs that became a biggie. She said they are still in the process of trying to figure out what happened and more information will be coming forward. Mr. Landon said he recently received a letter from Jody Jones in response to his letter, but with all the agenda preparations he had not had a chance to digest it and get it circulated.

Commissioner Dee asked for clarification of Ms. Miller's comment that it was "their money" and NCTC does not really have control, but Caltrans is looking to NCTC to make up this huge gap out of future funding, which means that other projects NCTC has committed to or designated now are not funded through either a misunderstanding or an error. Nancy Miller said it could just be the cost; they do not know yet what happened. She said they were shocked, because normally when there are cost overruns they are not anywhere nearly as significant. Ms. Miller said because Caltrans is the lead agency, they are the lead of the project; she said it is always a negotiation and they have standard form contracts for these kinds of projects. As she stated, it is a process of negotiation; particularly, they do not deviate from their standard language without a lot of negotiation or reasons for that. Commissioner Dee said she was not so much concerned about the language as she was about the lack of notice and the lack of knowledge; she does not know of any obligation or project that goes forward not knowing about a \$1.5 million difference. Commissioner Dee said a private company would not do that; a public agency should not do that. She said it was astounding to her that it was that much different and no one knew.

Commissioner Miller said it was not like Caltrans does not have experience in this also; that it is something they just started to do. He asked if the cost overrun was pretty stable or were they looking at more as far as future expenses. Nancy Miller said that was a good question and a question she would have for Caltrans, because, obviously, when you build a budget you build it based on a lot of their past experience and their knowledge and NCTC is relying on that a lot. Commissioner Beason asked if the Caltrans R/W acquisition staff had a clear understanding of what the lid on the cost will be. Nancy Miller said they have not drilled down as to what exactly happened. Executive Director Landon said he hoped there would be more information shed on the situation with Caltrans staff present and they would get to the bottom line.

Chairman Jostes changed his decision, based on all the energy and discussion on the subject of the Dorsey Drive project overrun currently being expressed, so he thought it would be appropriate for Caltrans to contribute further information at this point in the meeting.

Item #7 of the agenda was moved forward at this point, per the direction of Chairman Jostes.

7. Caltrans District 3 Project Status Report: Winder Bajwa, Caltrans Project Manager for Nevada County, and John Ballantyne, Caltrans Acting Chief for the North Region Right-of-Way (R/W)

Mr. Ballantyne started out by saying he hoped he could answer questions the Commission has. Mr. Bajwa asked to first go through the project status for the Dorsey Drive Interchange before Mr. Ballantyne went through the R/W acquisition issues.

- *Dorsey Drive Interchange* – Mr. Bajwa reported that the Plans, Specifications, and Estimates (PS&E) were finished and they were submitted to the City of Grass Valley on June 16th. Caltrans and Grass Valley are going through the Cooperative Agreement process currently and the city has signed the agreement for the construction portion of the project. He stated the Commission would address the agreement in Action Item #8 later in the meeting. Once the NCTC signs off on the agreement, Caltrans will sign it, and the Cooperative Agreement will be executed. R/W certification was completed on August 5th. Mr. Bajwa said the Freeway Agreement is being drafted and worked on between Caltrans and the city. The utility relocation work is underway. NID work is pretty much complete. PG&E work is underway and once they relocate their gas lines they will start on lighting and overhead utilities. He said once PG&E completes their work, AT&T and Comcast will do their relocation, since some of the facilities they will be using will be PG&E facilities. Mr. Bajwa said, as far as funding was concerned, Executive Director Landon had submitted the Dorsey Drive project for the next possible stimulus funding. He said as far as the STIP funds were concerned, the California Transportation Commission (CTC) is not making any allocations for STIP projects. He said Caltrans will submit the applications to try to advance the \$10.5 million that is sitting in the next fiscal year, but he thinks that possibility is very slim.

Mr. Ballantyne thanked the Commission for the opportunity to address them. He said he was pleased that Caltrans was able to deliver the R/W portion of the project two months prior to the initial date they were targeting. He understood the early delivery was to take advantage of any potential federal funds that might become available near the end of the federal fiscal year. His understanding was the funds did not become available, but Caltrans wanted to make the opportunity available for the project so they strove hard to complete the acquisition of the project.

Mr. Ballantyne said he was not pleased with Caltrans' failure to notice NCTC that potential cost overruns were going to be realized. As with any error oversight, he said there are many factors that went into that. He reported that cost overruns were primarily due to two aspects; one being utility cost overruns. He said Caltrans initially estimated in 2007, after conversations with utility companies, based on Caltrans' preliminary design, that they would need \$950,000. When Caltrans met with the utility companies again to deliver a notice to owners to relocate, to enter into agreements based on the liability of those relocations, the cost had soared to over \$1.5 million, with some potential for more. Mr. Ballantyne stated that was a large cost overrun.

Mr. Ballantyne explained that the cost overrun on acquisitions, and they were all based on Caltrans underestimating the acquisition costs and the utilities costs, were stemmed from three complex evaluations on properties at Joerschke Drive. He said many people roll up their sleeves to make those acquisitions possible in such a way that Caltrans did not have to purchase those properties. He was pleased that those three properties are still in operation. That was a large goal on the part of the department and working with city officials, as well, to make sure those businesses were indeed left intact. Commissioner Beason said that Caltrans did not have to purchase some of the properties so they saved a little money, but the cost went up, and we are in a real estate market that kind of factors into this also. He asked Mr. Ballantyne to elaborate on that. Mr. Ballantyne said that Caltrans had

originally intended and estimated to purchase those properties as temporary construction easements, looking at the parking lot reconfigurations. They had estimated they were going to need temporary construction easements to do some signing and striping, as well as some possible landscaping. He said the complexity of the project was not viewed at the time of estimating, and by the time Caltrans' appraisal staff met with the property owners, and evaluated the properties, more critically, it became known that the impacts of the project as it was designed was going to have a much greater impact on those businesses. And to the point that Caltrans was fearing, they would have to do a full acquisition of those businesses, given the analysis of the damages that remained. As it was, assistance from the City of Grass Valley and Caltrans Design staff, they were able to come up with solutions that allowed those businesses to remain intact, but it ended up with a greater acquisition of having to purchase a neighboring property and work out some parking lot redistribution with that vacant property. Mr. Ballantyne said Caltrans was able to work with the property owner to reconfigure the driveway, but the damages of reconfiguration were much more extensive than just restriping. He admitted that was an oversight on Caltrans' part because it required complete razing of the parking and complete reconstruction of the parking as they redesigned it.

Mr. Ballantyne said the \$3 million budget is something that Caltrans watches very carefully, and as he said before, there are many things that come into play when such an egregious error happens; it is not just one thing that causes such. He said there was staff turnover in an area charged with watching that, but ultimately that was his responsibility to oversight that area, and to manage that capital program within the R/W phase. He said, in addition to underestimating the complexity of those two areas, Caltrans also had staff turnover in the area charged with watching that. Mr. Ballantyne said, with utility costs, as well as very complex acquisition costs, they generally come in at the very end of the project. He could say that coming into the calendar year of 2011's budget, the project's budget for R/W capital looked very healthy; it springboarded at the eleventh hour. He felt that was another oversight, because communication should have been taking place between the acquisition staff and the capital plan.

Chairman Jostes said this was not entirely just a project creep where every little bit was just kind of moving up, as projects do, so when you get finished you look and add it all up and it comes up more. Chairman Jostes said it seemed to him that the overruns were in one or two specific areas and the overruns were large enough to, as soon as you knew of them, you knew that there was going to be an overrun of the entire project by some amount. He said there is a point when you know that it is going to cost whatever the number is, but you do not do anything about it; in other words, you know it is going to cost that much, but you do not take action to cause that expenditure to happen. Chairman Jostes asked if there was any process that would have or should have allowed NCTC or the Executive Director to be aware of that and be involved in some portion of that decision process to make that expenditure known; not that the NCTC would have made a different decision, because it may have been the only reasonable decision at the end of the day. He was just wondering if there were a part of the process that allows this to happen. Mr. Ballantyne said yes there is, but it did not happen. Mr. Bajwa added that in this case it did not happen, but normally what happens is that Caltrans' policies are that they at least update their capital costs once a year, if not more. For example, Mr. Bajwa said construction capital is updated every year and the same thing with R/W; in this case it was Caltrans' error or oversight that they did not capture the overrun and that is the cause of this issue; but they do have a policy in place that they update. Mr. Bajwa said what he does as Project Manager is work with Executive Director Landon, and let him know through either SB 45 reports or he calls or emails Mr. Landon to let him know there is a cost issue where they are either running over or under. With Dorsey Drive's case, as far as the capital side, at one time Caltrans was thinking it was going to cost \$21 million, but the costs have gone down in the past few years and Mr. Bajwa was relaying that information to Mr. Landon on a regular basis. He said in this case, it was an

oversight on Caltrans' part and he apologized for that. Mr. Bajwa said he is sure this will not happen again and he will make sure that they keep the reports up-to-date so the Commission is informed on a timely basis. Chairman Jostes said he was not talking about reports that come out periodically, because that is always too late. He was talking about real time communication on the inside of the project decisions that could move towards a great overrun. Chairman Jostes said that is where there is an opportunity to make another decision; that was what he was saying. Mr. Bajwa said that Tim Kiser and Executive Director Landon are on the Project Development Team and he has regular communication with them on the project aspects.

Commissioner Scofield asked with the cost overrun on this portion of the Dorsey Drive project, does that mean that the cost overrun has to come out of future projects coming to the Commission or does it come out of the pool, and does that threaten the amount of money that we have for the actual construction of the Dorsey project. Mr. Bajwa said since it is R/W acquisition and Caltrans is the lead, and since Caltrans failed to inform the Commission on a timely basis in this case, the process is that Caltrans let Executive Director Landon and Caltrans Programming staff know there is an overrun, and then they do a STIP Amendment, which is a process where they increase or decrease the cost. Mr. Bajwa said in this case it is capital cost and they come to NCTC and ask where to get the funds; in this case he assumes it would be RIP funds because the \$3 million comes from the RIP. He assumes that is how the Commission would decide to take action. Commissioner Scofield asked if the overrun could affect the actual construction of the project by shortening the funds. Mr. Bajwa said no; what would happen in this case is Caltrans will tap into future shares. Commissioner Scofield said what if the Commission does not want to do that; he thought the Commission should have the choice to say. Commissioner Beason asked if the District would compensate NCTC's future shares. Mr. Bajwa said that is something they would try to do, but at this point there are no interregional funds; the CTC is not allocating or programming any of the STIP funds, but in the future when STIP funds become available that is something Caltrans will consider.

Commissioner Harris said, getting to the numbers in Executive Director Landon's report, he showed the adopted STIP programming for Dorsey Drive totaling \$16,660,000, and the Commission has been presented with cost overruns of \$2.1 million to date. She questioned if there would be some contingency funds in the \$16+ million, and if \$2.1 million would be added to the total cost of the project. Mr. Bajwa asked if the \$16+ million was the construction cost. Executive Director Landon said it is the \$6.1 million that has been spent prior and the \$10.5 million for construction. Mr. Landon said whatever the overrun will be, that would be added to the \$6.1 million, because it includes the allocation for R/W. Mr. Bajwa said the total R/W cost is going to be \$3 million plus \$1.7 million, which totals \$4.7, and then the support cost of \$1.2 million. Mr. Landon said, in response to Commissioner Scofield's question, the \$10.5 million is not yet allocated, so the cost overrun will not reduce that allocation. Commissioner Harris asked, with everything known at this point, would \$2 million be added to the total project cost. Mr. Landon said yes. She questioned if that would likely come out of the unprogrammed share balance of \$5,706,000 through the 2015 period. Mr. Landon replied yes; being the "fiscal agent" for the Commission, NCTC does not have other funds that can make up this deficit, so it is going to come out of the RIP funds. Commissioner Beason commented that the Commission is doing exactly what he expressed concerns about. Mr. Landon replied yes. He said that Mr. Bajwa has done a good job of communicating. He reminded the Commission that in the July NCTC meeting Mr. Bajwa thought there was some money left over in R/W, so it came as a surprise to him as well three weeks later when we realized the project was in an overrun situation.

Executive Director Landon had a question that was directed to John Ballantyne. He said Mr. Bajwa indicated there would be a STIP Amendment triggered; when does that notification take place and

how should it have happened so, again, we may not have been able to change the cost, but at least we would have known. Mr. Ballantyne said ideally when the cost overrun is first known, Caltrans stops at that point and raises that up to the Project Manager. He said at that time they are either asking for some sort of Program Change Request form or authorization to continue. It is at that point the Project Manager would contact you. Mr. Landon asked, "so it was just lack of recognition on the part of the staff managing the R/W costs that it did not happen?" Mr. Ballantyne said that was correct.

Commissioner Harris said, on a go-forward basis then, the Dorsey Drive Interchange project is going to shift to the City of Grass Valley to manage the project. She asked how to make sure that costs do not balloon out of control, since NCTC has a lot of money left to go on this project. Executive Director Landon said that Mr. Bajwa felt very responsible for this issue and Mr. Landon appreciated his efforts. Mr. Landon said, in looking forward, the Cooperative Agreement that is before the Commission at that meeting has a cap on the NCTC responsibility to the project. Commissioner Beason asked if that cap was when things bottom out on RIP funds, or is it before. Mr. Landon said no, it is before; it is the \$10.5 million of RIP that is the limit, with the additional RSTP (Regional Surface Transportation Program), CMAQ, and RTMF (Regional Transportation Mitigation Fee). Commissioner Beason commented, and he heard the same concerns from Commissioner Harris, that the Commission has X amount of money that has to go to many places; Dorsey Drive is a primary project, but that does not mean it gets every nickel the Commission has. Mr. Landon said, to resolve their concern, a cap is in place in the Cooperative Agreement; if the cost goes up on construction, the City of Grass Valley is on the hook, not NCTC.

Chairman Jostes asked, from a practical standpoint, if a project does get funded and it goes out to bid, for example; or if Grass Valley goes out to bid on the Dorsey Drive project; and it does not come in at these lower hopeful costs because the economy turns around or the contractors bid differently; so the project comes in, lets say nominally \$5 million above the pockets of money that we have accumulated for this; at that point in time, the bid cannot be accepted, is that correct. Executive Director Landon said that was correct. Chairman Jostes thought the project essentially stops at that point because the \$5 million, even though the project has been funded and approved, the project cannot absorb the \$5 million, so essentially it stops. Commissioner Beason commented that the Commission did discuss, in general, he did not recall specifics, that the project receives the money available, and we would build what we could, and remind him if he had this wrong, and some things might become local projects. Executive Director Landon said there had been a previous discussion and Tim Kiser was not present at the meeting, but to bid the project with various components, to construct what was fundable, and to delay those portions that were not, was a part of the discussion.

Trisha Tillotson, City of Grass Valley Associate Civil Engineer, said the City of Grass Valley has already discussed this issue and they have in mind the fact that construction cost bids could come in over the budget, and there are options that the city has to reduce the limits of the project if absolutely necessary. She said there are other funding sources that the city can look at if needed, and on top of that the city is applying for TIGER grants and it looked like they might have a good opportunity to obtain some of those as well. Ms. Tillotson said there are options; it does not mean the whole project would come to a halt. Commissioner Harris asked what the options were, in terms of reducing the scope of work, and what the priority order would be. Ms. Tillotson said they could reduce some of the improvements on Dorsey Drive within the city limits, for example. The city could take different pieces as separate projects and address them at a slightly later time. She said that was probably the main couple of options there. Commissioner Harris said the reason she asked was because this is a huge project that has been taken on and the Commission is feeling the results of taking on future projects; there are limited capabilities to absorb these big bumps. Commissioner

Harris said part of the reason she has supported the project, and perhaps other Commissioners, is that for the 95959 zip code, the Dorsey Drive Interchange is going to help with emergency access. If that portion of the project were to be considered to be dropped from the scope of the project. Ms. Tillotson said that was not what she was saying; she was saying sidewalks and things like that; things that could be done in other projects at a later time when money became available.

*Commissioner Beason noted at 12:00 Noon that he had to leave the meeting due to a prior commitment.

Executive Director Landon noted, before Commissioner Beason departed, that Kevin Smith from the Truckee Tahoe Airport was in attendance at the meeting in support of a later item. Mr. Smith had to leave just at the end of the NCALUCP discussion because there was an accident just left of the runway at the Truckee Tahoe Airport that morning. Mr. Landon said this incident underscored the safety issues that were addressed in the ALUC portion of the meeting.

- *SR 49 Five Lane Widening at the La Barr Meadows Road Intersection* – Mr. Bajwa reported that the project is on schedule for the 2011 construction season. Caltrans anticipates completion of stage one and two, which includes all of the work on the east side of SR 49; including La Barr Meadows Road, Jay Jay Place, Welsh Lane, and Forest Springs Drive will all be using the new intersections. He said the traffic light at the intersection will not be functional until the end of stage four, which will be next summer. Mr. Bajwa said the soundwall in front of Forest Springs Mobile Home Park will be constructed this season, but it may lack some of the final treatments until next year. He said K-rails will remain in place throughout the winter, because of the grade differences between the east and west side of the project. The frontage road on the west side of SR 49 will be partially constructed this season, but will not be operational. All side streets on the west side will continue to function as they are until next spring. He said soundwalls on the west side will be constructed next season.

Mr. Bajwa said there was a concern brought up by a citizen regarding speed limits through the work zone. Caltrans reviewed the request and they did a speed survey in that segment; the results showed that the 85 percentile of traffic was greater than 55 mph. Mr. Bajwa said Caltrans decided that because 85% of the people are traveling at 55 mph or more, reducing the speed limit would cause accidents. Caltrans recommended the safest way to proceed was to not reduce the speed limit. Commissioner Scofield said he was not going to challenge Mr. Bajwa on that decision, because Caltrans is the expert on it, but he drives that roadway every day. He said that morning traffic was traveling at 55 mph, but that was exceptional, especially when there is work going on. In Commissioner Scofield's experience, traffic usually travels in the 40's or 35 mph. He added that sometimes when trucks are out there trying to make those turns, traffic comes nearly to a stop. Commissioner Scofield questioned the 85% finding. He said, perhaps when no one is working on the roadway, it goes smoothly, but when there are vehicles working out there, and they are out there a lot. He told Mr. Bajwa he was impressed with the project, but he questioned the reasoning because it is naturally slowing down and even comes to a stop. Mr. Bajwa said he understands when construction is going on people tend to slow down a bit. He said, on the other hand, what Caltrans typically does 99% of the time in a construction zone, is maintain the speed limits as they are. They design the staging of the project in a way that the traffic does not have to slow down, so they can maintain their speed. Commissioner Scofield repeated that most of the time traffic does slow down. The issue he sees is with traffic going northbound where it has become more of a single file traffic. If a vehicle is trying to get out of Forest Springs or even La Barr Meadows Road, it has become much more difficult than it was before. Commissioner Scofield thought it would be safer for the vehicles trying to pull out onto the highway for the traffic to travel at 45 mph versus 55 or 60 mph.

- *SR 89 Pedestrian Undercrossing at the Mousehole* – Mr. Bajwa reported the Town of Truckee hired HDR as a consultant to do design work. They have completed 30% of the preliminary design and the plans were reviewed at Caltrans. He thought they were explaining the plans to Union Pacific Railroad as well. He said the project should be 60% complete by this fall. Mr. Bajwa said, as Executive Director Landon mentioned earlier, the good thing is that SHOPP funds will be available once the CTC approves it as part of the 2012 SHOPP. He said there would be about \$4.7 million from ADA (Americans with Disabilities Act) funds that will be allocated to the project for construction.
- *SR 20 Safety Project Between Penn Valley Road and Deadman's Flat Overcrossing* – Mr. Bajwa said this project is west of Grass Valley and is currently under construction and should be completed within the next few weeks. It is a safety project where a rumble strip has been added, along with other safety improvements.
- *SR 49 Minor A Operational Project* – Mr. Bajwa reported that the areas of improvement are at Carriage Road, Ladybird Drive, Smith Road, Cherry Lane, and Brewer Road. The plan is to provide a lane for traffic to get in and out of the side streets. Mr. Bajwa said the project is under development and Caltrans hopes to take some of the locations to construction within the next year to two years.

Commissioner Harris asked about the I-80 project from Donner Pass down to the Town of Truckee, heading east, where currently the traffic is over on what eventually will be the westbound side and the fast lane has no margin for error whatsoever. She said there is a concrete barrier on one side and traffic on the other, and questioned if it will remain that way through the winter. John Ballantyne said he did not know, but he would be more than happy to find out for her. Mr. Bajwa said they will check on it and will communicate what they find to Executive Director Landon. Commissioner Harris said it is hair-raising. Commissioner Dee said the original plan was that both roadways were to be open by winter; it is only a summer project and they agreed to have the road closed only until November 1st. Mr. Bajwa said the construction season started late due to rain, so he will check and get back to the Commission.

Executive Director Landon said earlier in the week he received an email about 9:00 a.m. from Federal Highways and they were tasked with, by noon of that day, of coming up with a list of potential projects of \$15 million or greater that could be ready to go to construction between 90 and 120 days. Mr. Landon submitted the Dorsey Drive Interchange for the full \$17 million under that listing. He said whether NCTC gets it or not is anyone's guess, but at least it is in for consideration.

6. Executive Director's Report

6.1 FY 2011/12 Regional Transportation Improvement Program (RTIP)

Executive Director Landon said the RTIP is a listing of projects where the NCTC is able to utilize STIP funds. He provided background so the Commissioners could understand the process better. Mr. Landon said that 75% of the funding that flows into the STIP is set aside for regional agencies, which is the RIP shares. He said the SHOPP program comes ahead of that in the funding order, so maintenance and rehabilitation of state highways is the highest priority. The target going into the SHOPP is \$1.4 billion per year in the coming five year cycle, which is down from \$1.6 billion in the last cycle two years ago, which was down from \$2.1 billion the cycle before that. Mr. Landon said, although the costs of maintenance and rehabilitation are increasing, there is less money to maintain the roads.

Executive Director Landon said the fund estimate identifies about \$3.4 billion over the five year fund estimate period available state-wide. Nevada County's share of that, when you add the current \$5.7 million unspent balance, is about \$8.7 million. Mr. Landon said that potentially NCTC could program up to that amount and see it come to the county during the next five years. He said they are also looking at some potential capacity that they would advance NCTC money up to almost \$15 million. NCTC does not have a project up to that level to actually capture the \$15 million. Mr. Landon said what has been done in the past, and he will be bringing recommendations to the November NCTC meeting, is that the Commission has taken their regional shares and applied those on a basis with Caltrans interregional shares, and done partner projects like the current SR 49 where it is 50/50. He said one of the things he will be discussing with the Caltrans District Director is the potential, when they get additional shares, that instead of a 50/50 project if they would come in instead at maybe a 70/30 or 60/40 split to help make NCTC whole on the Dorsey Drive overrun.

Commissioner Miller asked if it would be possible for the NCTC to apply for SHOPP funds for a portion of the Dorsey Drive Interchange project. Executive Director Landon replied no; it is considered a local project; it is not state highway operations and maintenance; it is considered capacity increasing.

Commissioner Dee asked if she understood correctly that the \$8.792 million includes the \$5.7 million. Executive Director Landon replied that is correct. Commissioner Dee said, therefore, that amount needs to be reduced now. Executive Director Landon said it will not be reduced in this cycle, but the next cycle it will be reduced, unless the Commission finds another way of funding the overage. He said in better fiscal times, he would have suggested perhaps that overage would have been absorbed in the increase in funding, but he could not do that today.

Executive Director Landon referred, at the bottom of page 3 of his staff report, to the projects that are currently in the funding, what is expected to be received in FY 2012/13 is \$10.5 million for the Dorsey Drive Interchange project, and beyond that the Commission will be looking toward getting some type of a new project developed and put into this listing. Mr. Landon said he will have some recommendation as to whether the Commission wants to bank their shares at this point, or if there is some project that can be identified between now and November that would be of value, then it will be brought forward to the Commission.

Executive Director Landon said Mr. Bajwa went through the other projects that are currently listed, so he did not review those. He said once the proposal is made and the Commission approves it in November, it will be submitted to the CTC in December, and then in February and March the state will finalize the listing that will go forward at that point. Commissioner Harris commended Executive Director Landon on the RTIP Program explanation. She said it is a complicated topic and it was a very thorough report.

6.2 Congestion Mitigation and Air Quality (CMAQ) Improvement Program

Executive Director Landon said the CMAQ Improvement Program was discussed earlier, and this item notifies the Commission that staff is looking at some funding for FY 2012/13. He said a call for projects have been put out to the county's local agencies and staff will bring back some recommendations as to how that funding can be utilized when it becomes available. He noted that earlier in the week a continuing resolution was passed by Congress and signed by President Obama so there is federal transportation funding until March 2012. Mr. Landon said there were a lot of comments on both sides, but the legislature contends that this will be the last continuing resolution before adopting a full transportation act. He said there is still a great distance between the concepts

of finding additional funding to grow the program or whether the federal transportation program should be decreased. He said whether or not that will occur is anyone's guess.

6.3 North State Super Region

Executive Director Landon noted that one year previously the Commission entered into an agreement with fifteen other northern California counties to try to make the case for additional transportation funding for the north state. Caltrans awarded the group a \$225,000 grant to study and identify transportation investments that could be made in support of economic development in our region. Mr. Landon arranged for a meeting with the Nevada County Economic Resource Council to get their comments on the draft scope of work for that study. He also spoke to Steve Frisch from the Sierra Business Council who will be helping the group review the scope of work. Mr. Landon said he met in Del Norte County in August with the other fifteen directors, and there is a hope that as a north state unit, where there are common key elements; maybe it would be timber harvest abilities to move things into biomass or whatever else; that the group can say as a region to the federal government that here is a way of not only improving transportation infrastructure, but improvement of transportation infrastructure would feed into economic development for a depressed economic area. Mr. Landon said that is the goal of the study and they are moving forward. It is expected that by early next year they will be getting out a request for proposals and hiring a firm to handle the study.

ACTION ITEMS

8. Dorsey Drive Cooperative Agreement

Executive Director Landon noted that the Commission's contribution would be the \$11.2 million that is made up of RSTP funds, RTMF, and the \$10.5 million from the STIP. He said the document clearly signs that out and it also outlines the tasks for Caltrans and the City of Grass Valley. Mr. Landon said that Tim Kiser, Grass Valley Public Works Director, indicated that the next major task, once the Cooperative Agreement has been signed, would be to look at getting the finalization from the CTC that the city is in the lead agency role. Then the City of Grass Valley will hire a firm to help them get the PS&E ready for bidding, and then obtain any permits that are needed as it pertains to the Freeway Agreement with Caltrans. Lastly, the city would hire professional services for construction administration. Mr. Landon said things are getting close, and he is hopeful as we go into the next funding cycle, the \$10.5 million of STIP is there and the city will be able to get a successful bid and the project will be moved forward into construction.

Commissioner Miller asked whose responsibility it is to get the agreement to the CTC, hopefully in the October meeting. Executive Director Landon said he would be working with Tim Kiser and they would submit that together. He said it would not make the October CTC meeting at this point, but it would be the next meeting after that, because they are typically sixty days out when you submit something. Chairman Jostes asked, until that happens, is the City of Grass Valley not authorized to make expenditures. Mr. Landon said the city could use the RDA funds, but they could not expend state funds.

Commissioner Dee made a motion to authorize the Chairman to execute the Cooperative Agreement between the Nevada County Transportation Commission, the City of Grass Valley, and Caltrans for the construction of the Dorsey Drive Interchange Project. Commissioner Guerra seconded the motion. The motion passed unanimously.

9. Amendment I to the Overall Work Program

Executive Director Landon explained that this is a typical time of year, at the end of the first quarter, to make the first adjustment to the budget for the year. He said in completing the year-end financial reports for FY 2010/11, staff determined there were funds in the amount of \$2,112 from the Planning, Programming, and Monitoring Program, and also \$4,606 from State Rural Planning Assistance funds that are being carried into the current year. Staff adjusted the NCTC budget to utilize those additional funds.

Executive Director Landon said staff reduced the budget in the Traffic Engineering line item by \$1,000 to increase the budget for the Rural Counties Task Force participation by that same amount. He said that funding will go toward NCTC's participation in a state-wide needs assessment for local streets and roads. This was an effort done several years ago in concert with CSAC (California State Association of Counties) and the League of Cities. It results in a quantification of the local road needs state-wide so as rural counties go forward to the legislature, they can give them a firm accounting of what is needed on a local side and not just the state highway side of the transportation infrastructure.

Executive Director Landon reported that staff reduced the budget for the Nevada County Airport Land Use Compatibility Plan to reflect the remaining amount in the contract with the consultant.

Lastly, staff added a line item in the Regional Coordination work element to provide funding in the amount of \$40,000 to assist the Truckee Tahoe Airport Master Plan Update. Executive Director Landon referred to a letter from Kevin Smith, the Truckee Tahoe Airport Manager.

Executive Director Landon said that staff was comfortable that they can do all of these things without negatively impacting the Commission's ability to carry forward a good fund balance, and he noted for the Commission that in the fund balance there is set aside a reserve that recognizes the unfunded liabilities that the Commission has with regard to compensated absences such as sick leave and vacation. Mr. Landon said the Commission is in a good financial position.

Commissioner Scofield made a motion to adopt Resolution 11-33 approving Amendment I to the FY 2011/12 Overall Work Program. Commissioner Guerra seconded the motion. The motion passed unanimously.

10. Enrollment in the Special District Risk Management Authority's (SDRMA) Property/Liability and Workers' Compensation Program

Executive Director Landon noted the Commission entered into an agreement two years prior with the SDRMA medical insurance program. He said the SDRMA has made some changes in their requirements since then. Previously, the Commission was unable to utilize SDRMA's property/liability, and workers' compensation because we did not have enough employees, but they have lowered the threshold to four. Mr. Landon said that staff was recommending the Commission take advantage of their purchasing pool; it will lower the workers' compensation costs, as well as the property/liability program costs. He said the necessary documents were provided for the Commission to indicate their approval.

Commissioner Guerra made a motion to adopt Resolutions 11-34 and 11-35 to join the California Special Districts Association to procure property/liability and workers' compensation insurance for the Nevada County Transportation Commission through the Special District Risk Management Authority. Commissioner Dee seconded the motion. The motion passed unanimously.

11. Social Services Transportation Advisory Council (SSTAC) Appointments

Michael Woodman, Transportation Planner, explained that the action requested of the Commission was to fill some vacant positions and reappoint other members of the SSTAC whose appointments had expired. Mr. Woodman said staff did outreach in western and eastern Nevada County to fill the vacancies on the SSTAC. In response to that outreach, the following individuals submitted applications for appointment or reappointment:

- Adela Gonzalez del Valle, with the Truckee Family Resource Center, seeking to be reappointed as a representative of the *Hispanic community in the Truckee area*.
- Susan Healy-Harman, Nevada County Transit Services Manager, seeking to be reappointed to the SSTAC as one of the two representatives of *local consolidated transportation service agencies*.
- Jim Perkins, new Executive Director of Gold Country Telecare, Inc., submitted an application to serve on the SSTAC as one of the two representatives of *local consolidated transportation service agencies*.
- Nikki Bowden, member of the Board of Directors of Gold Country Telecare, Inc. and IHSS Public Authority, submitted an application to fill the vacant position for a representative of *potential transit users who are disabled*.

Mr. Woodman stated that he has worked with all of the people, including Nikki Bowden who is a new member. Mr. Woodman worked with her on the development of the Pedestrian Improvement Plan and she is a wheel chair user and has great insight on the challenges that people in her situation face. He felt confident in recommending to the Commission appointments of all the people mentioned.

Commissioner Guerra made a motion to appoint Adela Gonzalez del Valle, Susan Healy-Harman, Jim Perkins, and Nikki Bowden to serve on the Social Services Transportation Advisory Council. Commissioner Harris seconded the motion. The motion passed unanimously.

COMMISSION ANNOUNCEMENTS

There were no Commission announcements.

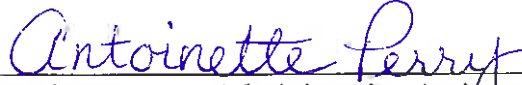
SCHEDULE FOR NEXT MEETING

The next regularly scheduled meeting of the Nevada County Transportation Commission is on November 16, 2011 at the Nevada City Council Chambers, 317 Broad Street, Nevada City, CA.

ADJOURNMENT OF MEETING

Commissioner Dee made a motion to adjourn the meeting. Commissioner Guerra seconded the motion. Chairman Jostes adjourned the meeting at 12:25 p.m.

Respectfully submitted:


Antoinette Perry, Administrative Assistant

Approved on: November 16, 2011

By:



Lawrence A. Jostes, Chairman
Nevada County Transportation Commission